

CITY of LAKE FOREST



Operating Budget
Fiscal Year 2009-10

OPERATING BUDGET FISCAL YEAR 2009-10

Elected Officials

Mark Tetterer, Mayor
Peter Herzog, Mayor Pro Tem
Richard T. Dixon, Council Member
Kathryn McCullough, Council Member
Marcia Rudolph, Council Member

Planning Commission

David Carter, Chair
Tim Hughes, Vice Chair
Terry Anderson, Commissioner
Jerry Verplancke, Commissioner
Jerry Zechmeister, Commissioner

Parks and Recreation Commission

Amanda Morrell, Chair
Steve Manning, Vice Chair
Loretta Herrin, Commissioner
John Irish, Commissioner
James Rosenberg, Commissioner

City Staff

Robert C. Dunek, City Manager

Gayle Ackerman, Director of Development Services
Elizabeth E. Andrew, Director of Finance/City Treasurer
Lieutenant Don Barnes, Chief of Police Services
David Belmer, Assistant City Manager/
Deputy Executive Director of Redevelopment
Ed Fleming, Division Chief - Fire Services
Gary Magill, Director of Community Services
Debra Rose, Director of Management Services/Acting City Clerk
Benjamin Siegel, Assistant to the City Manager
Scott C. Smith, City Attorney
Robert L. Woodings, Director of Public Works/City Engineer

Section One

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Mayor
Mark Terrier

Mayor Pro Tem
Peter Herzog

Council Members
Richard Dixon
Kathryn McCullough
Marcia Rudolph

City Manager
Robert C. Durek

June 16, 2009

Honorable Mayor and Members of the City Council:

The Operating Budget ("Budget") for the City of Lake Forest ("City") for Fiscal Year 2009-10 is attached for your review and approval. This Budget has been prepared consistent with the City's Strategic Business Plan and is inclusive of all City funds including the City's Redevelopment Agency.

Fiscal Year 2008-09 Review

For the past ten years, an independent research firm has surveyed Lake Forest residents and businesses to measure the community's satisfaction with the City's performance. The City uses this feedback to drive continuous improvement in its operations and programs. According to the 2008 survey, 92% of residents and 87% of businesses are satisfied with the Lake Forest's ability to provide city services. In addition, 93% of residents rated the quality of life in the city as "excellent" (52%) or "good" (41%). I am also pleased to note over the past eight years, surveys indicate both residents and businesses are increasingly more satisfied with city services.

Major accomplishments during Fiscal Year 2008-09 include City Council approval of Development Agreements with four landowners participating in the Opportunities Study, a multi-year effort to determine the land use for the ultimate build out of Lake Forest. In the Development Agreements, landowners agreed to a financial contribution towards a community sports park, community center, and civic center, as well as improved land for these facilities. A Facilities Tour and Workshop was held in October, marking the first step in the public input process for planning and designing the sports park and community center.



New public safety programs initiated last year include the enhanced traffic enforcement and education program designed to insure the safety of motorists and reduce injury traffic accidents. A California Department of Alcohol and Beverage Control grant was also used to target people and businesses that sell or serve alcohol to minors as a means to reduce underage drinking and alcohol related crime.

Technology upgrades in Fiscal Year 2008-09 include a new automated meeting agenda system, which enables the public to access City Council, Planning Commission and Parks and Recreation Commission reports online. Permit automation software was also purchased and, when fully implemented, will provide greater transparency into the permitting process while increasing internal efficiencies. New online services, such as online employment applications and online property search for available office, retail and industrial properties, also debuted on the City's website. Thanks to a grant from the Metropolitan Water District, smart irrigation controllers were installed in city medians and parks.

Economic Development was a major focus of the year. Staff launched the "In Business" newsletter, designed to provide information to the Lake Forest business community. A new marketing slogan, "Your natural choice for business" was introduced, and special events, such as the Exploration Day in the Arbor on El Toro, Lake Forest Business Appreciation Luncheon and New Business Reception, continued to promote Lake Forest as a desirable location for business.

In addition to the above, the City also continued to deliver a high quality of services to the community in a variety of areas. The department detail portion of the budget provides more information on specific achievements.

Fiscal Year 2009-10 Overview

Overall, the City will retain its solid financial condition and continue to make investments in the quality of life of the community, even though the effects of the ongoing recession and loss of businesses have reduced the revenue base.

Fiscal Year 2009-10 will mark the first year of a new Five-Year Strategic Business Plan. Like the private sector, the City Council uses survey data from the Resident and Business Survey, along with financial and demographic projections to make sound, strategic decisions regarding services and plans for new projects and facilities. Consistent with that Plan, the Budget focuses on the delivery of quality services and several important projects and initiatives.

Phase IV of the Opportunities Study will be initiated during this fiscal year, focusing on planning efforts for a permanent civic center, including a new sports park, community center, and city hall. The City will also begin to review precise development proposals and solicit community input to insure the development of high quality neighborhoods.

Water quality and drought issues will continue to be a focus for the community. The City will continue its efforts to participate in the renewal of Storm Water Permits by the Santa Ana Regional Water Quality Control Board and San Diego Regional Water Quality Control Board. The City will also work with water agencies serving the city to disseminate public information on water conservation.

Ongoing projects, such as efforts to revitalize the Light Industrial Area and promote business growth in the city's commercial areas, will continue. The City will also continue to communicate key messages related to traffic safety, fire safety, and traffic congestion relief to the public via newsletters, websites, and a new speaker's bureau. Police services will utilize grant funds to continue with an enhanced traffic enforcement and education program. For precautionary and readiness purposes, pre-fire plans for "The Woods" and other neighborhoods adjacent to forest areas will be presented to area residents. Updates on traffic congestion relief projects will also be featured in the Leaflet newsletter and city website.

In all, Fiscal Year 2009-10 looks to continue progress on major projects of community priority, and introduce some new projects while maintaining the City's solid financial condition. The department detail portion of the budget provides more information on specific major initiatives.

Revenues

General Fund revenues grew at sizable rates from Fiscal Year 2004-05 to Fiscal Year 2007-08, mostly due to the previously healthy real estate market and local economy. In the three-year period from Fiscal Year 2006-07 through Fiscal Year 2008-09, General Fund revenues have gone from \$39.9 million to a revised estimate of \$34.9 million for a three-year net decrease of \$5 million or 12%. A sizable part of this decrease was related declines in sales taxes, transient occupancy taxes, and investment earnings. All other revenues remained stable or fluctuated moderately.

We expect further decreases in General Fund revenues in Fiscal Years 2009-10 and 2010-11, with stabilization and a modest recovery in subsequent fiscal years. This is primarily due to the ongoing recession, the loss of several businesses, the weak housing market, and declining investment earnings due to significant decreases in interest rates in addition to the proposed funding of capital projects.

The Budget for Fiscal Year 2009-10 estimates General Fund revenues to be \$32.2 million which is less than the revised estimate of \$34.9 million for the current year. This decline is mostly due to the reasons stated above.

Due to the passage of Proposition 1A, the City has continued to be able to estimate future revenues with more certainty than in the past. Recent actions by the State indicate a potential for borrowing \$2 billion from local agencies. A \$1.37 million reserve of available fund balances has been reflected in the Budget to accommodate this loan if it occurs. Another recent proposal will eliminate all gas tax revenues, which could precipitate the need for the General Fund to subsidize approximately \$1.2 million in street maintenance costs. Staff will continue to monitor the situation and will report any notable changes to the City Council.

As in past years, we have chosen a conservative course in estimating revenues for the purposes of the Fiscal Year 2009-10 Operating Budget. Obviously, revenues could be realized at higher levels, but staff believes the forecast will allow the City a conservative cushion. In addition, the ongoing recession and its effect on revenues remains quite unpredictable at this time.

Expenditures

General Fund operating expenditures are forecasted to be less than revenue for Fiscal Year 2009-10, consistent with the City's conservative fiscal approach. Overall expenditures will decrease by \$1.5 million or 4.5% from the adjusted budget in the Mid-Year Budget Review for the current year. This comparison includes both operating costs and capital costs for street resurfacing and slurry seal projects.

A brief explanation of proposed changes by department is shown under the heading Budget Analysis, in the Summary Section of the Budget. A more detailed listing of the proposed individual changes by department is shown in the respective Departmental Activity Detail sections.

As is indicated above, proposed expenditures for the General Fund have been established at an amount below projected revenues. Considered the more important measure of the Budget, General Fund revenues will exceed operating expenditures by just 0.7%. This situation is due to the ongoing recession and its impact on revenues. Capital expenditures in the General Fund are budgeted at \$0.1 million pursuant to the proposed 2009-2011 Capital Improvement Projects Budget.

After transfers, the General Fund balance is projected to decrease by \$16.4 million to \$31.5 million. This decrease is mainly attributable to a transfer of \$12 million to the Capital Improvement Projects Fund pursuant to the policy of providing funding for capital projects based on past years revenues in excess of expenditures and a transfer of \$4 million to provide funding for the Sports Park and Community Center projects.

Given that the General Fund reserves will remain fully funded in addition to making new investments in both services and physical assets, the City will continue to be in solid financial condition. A discussion of some new investments appears in the following sections.

A notable change reflected in the Budget is an additional allocation of Redevelopment Agency funds to pay for a percentage of salaries. This updated allocation reflects the activities performed by employees attributable to the Redevelopment Agency. Another notable change is a sizable reduction in travel and conference spending budgeted in each department in recognition of current economic conditions. The table below illustrates some of the changes to the budget in light of reduced revenues.

Budget Adjustment	Department
Updated Redevelopment Agency funding allocations for percentages of positions to reflect activities attributable to the Agency	City Manager, Redevelopment/Economic Development, City Clerk, Finance, Development Services, and Public Works
Reduced staff travel and conferences	All Departments
Reallocated personnel to balance workloads	City Clerk and Development Services
Deferred some anticipated new programs	All Departments

City Manager Department

Aside from the citywide changes mentioned above, no additional notable changes were made to the City Manager's departmental budget in Fiscal Year 2009-10.

Redevelopment/Economic Development Department

To continue to build upon a strong economic development program, funds for new website features for the economic development internet pages are budgeted. In addition, a part-time intern was added to assist with redevelopment activities and business retention and attraction efforts. Aside from these specific changes and the citywide changes mentioned above, no additional notable changes were made to this departmental budget in Fiscal Year 2009-10.

City Clerk Department

To balance resources with workloads, a Senior Office Specialist from the City Clerk's Department will transfer to the Development Services Department to provide clerical support to the Building, Planning and Code Enforcement Divisions; this transfer will not affect the overall effectiveness of City Clerk functions. In light of new equipment, a \$2,500 savings in scanning costs is reflected in the City Clerk's budget.

Finance Department

A part-time Accounting Technician position will transition to a full-time position in recognition of increases in accounts payable, payroll processing, and financial reporting demands. The professional services budget increased \$7,000 to retain a consultant for preparation of the City/Redevelopment Agency State Controller Reports and the Street Report. These reports are highly time-consuming and this process coincides with the year end closing process to prepare for the annual audits. Due to economic conditions, the new Accounting System Software, a one-time expense of approximately \$312,000, was eliminated from the Fiscal Year 2009-10 Finance Department budget.

Development Services Department

In addition to the Senior Office Specialist transferred from the City Clerk's Office, Development Services will add a part-time Records Specialist. Additional changes include the elimination of several vacant positions: a full-time Assistant Planner, a part-time Building Technician, and a part-time Imaging Intern. To coordinate California Environmental Quality Act (CEQA) studies related to upcoming capital projects, additional one-time funds are allocated to the Planning Division Professional Services budget.

Public Works Department

In light of reduced operating revenues, the Public Works maintenance budget for medians was reduced by approximately \$200,000. Furniture for the Water Quality Division is also budgeted at a cost of \$900.

Management Services Department

Aside from the citywide changes mentioned above, no additional notable changes were made to the Management Services department budget in Fiscal Year 2009-10.

Community Services Department

New programs budgeted include funds for a fully City-planned and operated Bunny Blast event and new programs focused on special needs individuals. Funds are also budgeted for frequently used Community Room/Senior Scene chairs. To increase participation and awareness of recreation programming, funds have been budgeted to mail the Lake Forest Leisure Times quarterly as a stand-alone City publication. A vacant, part-time Facilities Maintenance Specialist was also eliminated from the Community Services budget.

Police Services Department

In response to the recommendations of the Lake Forest Animal Services Study, a \$5,000 budget has been included in the Police Services budget for a pilot Responsible Pet Ownership Program. The pilot program consists of a trap/neuter/release program targeting feral cats and a spay/neuter voucher program. In addition, a grant funded intelligence led policing new program is proposed. In addition, the City Council approved a \$1,500 recertification program for Community Emergency Preparedness Academy graduates.

Capital Projects

The City provides for capital projects in a separate two-year capital budget. The next Capital Improvement Projects Budget will be adopted in June 2009 and will cover the two-year period from July 2009 to June 2011.

To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2009-10 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Individual Department Objectives

As in previous budget documents, there are various annual goals which each department develops consistent with the City's current Plan. Those various budget goals and objectives can be found in the departmental sections of the Budget.

Conclusion

Since incorporation, the City of Lake Forest has enjoyed dramatically increasing revenues on an annual basis. The City, however, is not immune from the current economic recession. While the effect has not been as troubling as in many other communities, revenues did decrease in FY 2008-09 and will continue to do so potentially for a few years before beginning to stabilize. While adjustments in operating expenditures are recommended for FY 2009-10, the City will need to remain watchful of both revenues and expenses over the next several years.

In all, the City continues to be on a planned course in FY 2009-10 to provide a strong quality of life environment for its residents and businesses. As always, staff looks forward to the new fiscal year and working with the community and City Council with enthusiasm.

Sincerely,

A handwritten signature in black ink, appearing to read "Dunek", with a long horizontal flourish extending to the right.

Robert C. Dunek
City Manager

Section Two

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OPERATING BUDGET ANALYSIS

The following is a recap of major aspects of the Operating Budget ("Budget") provides the City Council with a condensed picture of the overall Budget and provides an opportunity to point out changes from previous years.

REVENUES

The following is a discussion of the revenues by category of the City and Redevelopment Agency ("Agency"):

TAXES

2007-08 Actual	\$37,844,314
2008-09 Budget	36,205,600
2008-09 Estimated	35,561,600
2009-10 Adopted	34,415,900

City property taxes are expected to decrease by 2% from Fiscal Year 2008-09 revised estimates, since the assessed valuation for Fiscal Year 2009-10 will be based on sales activity in 2008. During 2008, the decline in the real estate market continued and worsened from its inception in mid-2006, and thus, these revenues are expected to be lower than prior years. In addition, the County Assessor has been implementing Proposition 8 adjustments to assessed values for properties that changed ownership in recent years. Agency tax increment is expected to increase by 1% from the Fiscal Year 2008-09 revised estimates, mostly due to the fact that the Redevelopment Agency receives tax increment in a lump sum payment each year one year in arrears. Thus, revenues for Fiscal Year 2008-09 are based on sales activity in 2007, prior to the significant declines in housing values.

Sales taxes are projected to decrease by 5% from the Fiscal Year 2008-09 revised estimate due to the loss of several businesses and declining receipts resulting from the ongoing economic decline. Transient occupancy taxes are projected to decrease by 8% due to the ongoing economic decline. All other tax revenues are expected to be relatively stable in the upcoming year.

LICENSES & PERMITS

2007-08 Actual	\$505,260
2008-09 Budget	360,000
2008-09 Estimated	380,000
2009-10 Adopted	360,000

Building permit revenues have decreased since Fiscal Year 2007-08 due to the ongoing housing market decline. A modest decrease of 5% is projected in Fiscal Year 2009-10. No significant changes are anticipated in the remaining revenues. Any changes related to the Opportunities Study will be made at a later date after more information is available.

FROM OTHER GOVERNMENTS

2007-08 Actual	\$6,239,335
2008-09 Budget	4,615,100
2008-09 Estimated	5,595,300
2009-10 Adopted	6,410,500

Receipts in Fiscal Year 2007-08 included the first allocation of Proposition 1B grant fund for street related projects. The Fiscal Year 2008-09 revised estimate reflects the receipt of the second allocation of Proposition grant funds. The increase in Fiscal Year 2009-10 is primarily related to anticipated grants for capital projects.

USER FEES & CHARGES

2007-08 Actual	\$1,607,539
2008-09 Budget	899,800
2008-09 Estimated	699,600
2009-10 Adopted	651,300

The large amount in Fiscal Year 2007-08 was mostly due to fees related to the Opportunities Study. The decreases in Fiscal Years 2008-09 and 2009-10 are primarily a result of the ongoing economic decline. Any changes in fees related to the Opportunities Study will be made at a later date after more information is available.

FINES & FORFEITURES

2007-08 Actual	\$565,983
2008-09 Budget	520,000
2008-09 Estimated	520,000
2009-10 Adopted	520,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2007-08 Actual	\$5,435,512
2008-09 Budget	3,093,330
2008-09 Estimated	3,173,500
2009-10 Adopted	1,849,800

The primary component in this category is investment earnings and rates were favorable in the last couple of years as a result of multiple increases in interest rates made by the Federal Reserve Board. The decreases in Fiscal Years 2008-09 and 2009-10 are mostly related to multiple decreases in interest rates made by the Federal Reserve Board in response to the housing market decline, the credit crisis and the current economic decline. In addition, the use of funds for proposed capital projects will further decrease investment balances and earnings.

OTHER REVENUE

2007-08 Actual	\$347,433
2008-09 Budget	50,000
2008-09 Estimated	1,384,400
2009-10 Adopted	50,900

Receipts in Fiscal Year 2007-08 were higher due to various reimbursements for operating and capital project costs incurred by the City. The increase in the Fiscal Year 2008-09 revised estimate is attributable to advances due from property owners pursuant to approved developer agreements. These funds will be due back to the property owners once financing for new development occurs.

EXPENDITURES

The amounts listed for each department include City and Agency expenditures. The following is a discussion of any significant changes including new positions or programs in the expenditures for each department:

CITY COUNCIL

2007-08 Actual	\$221,024
2008-09 Budget	236,050
2009-10 Requested	264,850
2009-10 Adopted	251,600

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

Individual Travel Account Reductions	(\$13,250)
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CAPITAL OUTLAY:

None

CITY MANAGER

2007-08 Actual	\$764,680
2008-09 Budget	962,300
2009-10 Requested	987,600
2009-10 Adopted	987,600

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

Go Local Study Phase 2	\$10,000
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CAPITAL OUTLAY:

None

REDEVELOPMENT/
ECONOMIC DEVELOPMENT

2007-08 Actual	\$2,545,197
2008-09 Budget	3,577,900
2009-10 Requested	3,579,700
2009-10 Adopted	3,579,400

PERSONNEL CHANGES:

Part-Time Intern

OPERATIONS AND MAINTENANCE:

Part-Time Intern Memberships	\$ 100
Part-Time Intern Meetings	200
Website Update Services	10,500

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

None

CITY ATTORNEY

2007-08 Actual	\$1,243,590
2008-09 Budget	850,000
2009-10 Requested	887,700
2009-10 Adopted	887,700

CONTRACT SERVICES:

None

CITY CLERK

2007-08 Actual	\$655,609
2008-09 Budget	819,300
2009-10 Requested	674,200
2009-10 Adopted	674,200

PERSONNEL CHANGES:

Eliminate Full-Time Senior Office Specialist

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

None

FINANCE

2007-08 Actual	\$1,620,259
2008-09 Budget	1,667,900
2009-10 Requested	1,771,100
2009-10 Adopted	1,771,100

PERSONNEL CHANGES:

Add Full-Time Accounting Technician
Eliminate Part-Time Accounting Technician

OPERATIONS AND MAINTENANCE:

Full-Time Accounting Technician Training \$ 500

CONTRACT SERVICES:

State Controllers Reports Preparation \$ 7,000

CAPITAL OUTLAY:

None

DEVELOPMENT SERVICES

2007-08 Actual	\$3,030,008
2008-09 Budget	2,960,300
2009-10 Requested	2,502,800
2009-10 Adopted	2,501,900

PERSONNEL CHANGES:

Add Full-Time Senior Office Specialist
Eliminate Part-Time Imaging Intern
Add Part-Time Records Specialist
Eliminate Part-Time Building Technician
Eliminate Full-Time Assistant Planner

OPERATIONS AND MAINTENANCE:

Full-Time Senior Office Specialist Training	\$	300
Full-Time Senior Office Specialist Mileage		200

CONTRACT SERVICES:

California Environmental Quality Act Professional Services	\$ 88,700
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CAPITAL OUTLAY:

None

PUBLIC WORKS

2007-08 Actual	\$8,462,709
2008-09 Budget	9,183,700
2009-10 Requested	8,888,700
2009-10 Adopted	8,888,700

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

None

MANAGEMENT SERVICES

2007-08 Actual	\$1,706,993
2008-09 Budget	2,361,300
2009-10 Requested	2,026,300
2009-10 Adopted	2,026,300

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

Storage Area Network Equipment/ Software Maintenance	\$ 11,000
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CONTRACT SERVICES:

Storage Area Network Professional Services	\$ 6,000
Information Technology Disaster Recovery Plan Implementation	30,000

CAPITAL OUTLAY:

Storage Area Network Equipment/ Software	\$ 72,500
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COMMUNITY SERVICES

2007-08 Actual	\$2,717,297
2008-09 Budget	3,130,700
2009-10 Requested	3,392,500
2009-10 Adopted	3,392,500

PERSONNEL CHANGES:

Eliminate Part-Time Facilities Maintenance Specialist

OPERATIONS AND MAINTENANCE:

Leisure Times Publication Postage	\$ 24,000
Bunny Blast Event	16,500
Special Needs Programming	5,000

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

Replacement Chairs for Community Rooms \$ 31,000

POLICE SERVICES

2007-08 Actual	\$12,489,136
2008-09 Budget	12,965,800
2009-10 Requested	13,429,700
2009-10 Adopted	13,431,200

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

Responsible Pet Ownership Program	\$ 5,000
Community Emergency Preparedness Academy Graduate Recertification Program	1,500

CONTRACT SERVICES:

Intelligence-Led Policing Program \$ 35,000

CAPITAL OUTLAY:

Intelligence-Led Policing Program	
Equipment	\$ 5,000

VEHICLE REPLACEMENT

2007-08 Actual	\$49,749
2008-09 Budget	105,800
2009-10 Requested	
2009-10 Adopted	

CAPITAL OUTLAY:

None

FUND ANALYSIS- OPERATING BUDGET

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2009-10. Agency funds are not included in this discussion, as this has been addressed in the Agency Budget.

GENERAL FUND

Revenues are projected at \$32.2 million, a decrease of 7.7% from the Fiscal Year 2008-09 revised estimate. This decrease is primarily due to anticipated decreases in sales tax revenues (5%), property taxes (2%), transient occupancy taxes (8%), and investment earnings (49%).

Operating expenditures are projected at \$31.8 million as compared to the Fiscal Year 2008-09 adopted budget amount of \$32.2 million (a decrease of \$0.4 million or 1%). This change is largely due to reductions made in response to the anticipated decline in revenues.

Net interfund transfers out are projected at -\$16.6 million as compared to the Fiscal Year 2008-09 adopted budget amount of -\$9.5 million (an increase of \$7.1 million). This change is due largely to a proposed transfer of \$4 million to the Opportunities Study Capital Projects Fund for the Sports Park and Community

Center projects and the reserve for the potential State loan of \$1.37 million. The remaining difference was related to the surplus from Fiscal Year 2006-07.

This fund is expected to have available fund balances of \$31.5 million at the end of the year, with all General Fund reserves fully funded.

GAS TAX FUND

Revenues are projected at \$1.9 million as compared to the Fiscal Year 2008-09 revised estimate of \$3 million (a decrease of \$1.1 million or 36%). This change is mostly due to the second allocation of Proposition 1B funds received in Fiscal Year 2008-09.

Expenditures are \$1.8 million as compared to the Fiscal Year 2008-09 adopted budget amount of \$1.9 million (a decrease of \$0.1 million or 5%). This decrease is primarily due to modest reductions made in response to the decline in revenues.

MEASURE M FUND

Revenues are projected at \$0.9 million as compared to the Fiscal Year 2008-09 revised estimate of \$1 million (a decrease of \$0.1 million or 10%). This decrease is primarily due declining sales tax revenues resulting from the current economic decline.

Expenditures are \$1.8 million as compared to the Fiscal Year 2008-09 adopted budget amount of \$1.0 million (an increase of \$0.8 million or 80%). This increase is primarily due to the utilization of excess available fund balance for street repaving projects.

This fund is expected to have available fund balances of \$29,267 at the end of the year and this balance will be used for future street repaving and slurry seal capital maintenance projects.

ETNIES SKATEPARK FUND

Revenues are projected at \$85,200, comparable to the Fiscal Year 2008-09 revised estimate of \$87,800 (a decrease of \$2,600 or 3%).

Expenditures are \$385,300, comparable to the Fiscal Year 2008-09 adopted budget amount of \$376,900 (an increase of \$8,400 or 2%).

This fund will have no estimated available fund balance at the end of the year after an interfund transfer from the General Fund of \$300,100.

FINANCING AUTHORITY FUND - CERTIFICATES OF PARTICIPATION

This fund is balanced with respect to interfund transfers in and expenditures. Funding is received each fiscal year from the Redevelopment Agency Debt Service Fund.

AIR QUALITY IMPROVEMENT FUND

Revenues are projected at \$113,000, comparable to the Fiscal Year 2008-09 revised estimate of \$115,000 (a decrease of \$2,000 or 1%).

Expenditures are \$10,000 as compared to no costs having been budgeted in Fiscal Year 2008-09. This increase is due to the second phase of the Go Local Study which is eligible for funding from this fund.

Net interfund transfers out are projected at \$64,000 compared no budgeted transfers in Fiscal Year 2008-09. This transfer will provide funding for the Traffic Signal Synchronization project.

This fund is expected to have available fund balances of \$0.6 million at the end of the year.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2009-10 Draft Plan submitted the Department of Housing and Urban Development and approved by the City Council. In addition, revenues and expenditures from the rehabilitation loan program are included.

POLICE GRANT FUNDS

These funds are balanced in regard to grant revenues and expenditures.

RESERVE FUNDS

In accordance with the Reserve Policy adopted by the City Council in February 2007, three types of reserves were established: 1) Undesignated (2/3 of 40% of General Fund revenues), 2) Economic Contingency (1/3 of 40% of General Fund revenues), and 3) Emergency Services. The projected balances representing full funding at June 30, 2010, are as follows:

General Fund - Undesignated	\$ 8.2 million
Economic Contingency	4.1 million
Emergency Services	2.9 million

A total of \$119,500 has been proposed to fund two projects related to disaster recovery, a Storage Area Network and the Information Technology Disaster Recovery Plan Implementation. This reserve balance will be replenished in future years and the reduction of this reserve balance requires the approval of four of five council members.

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances July 1, 2009	Revenues	Operating	Capital	Total	Revenues less Expenditures	Transfers/ Loans	Available Fund Balances June 30, 2010
General Fund	\$47,883,400	\$32,244,300	\$31,800,100	\$190,700	\$31,990,800	\$253,500	(\$16,630,700)	\$31,506,200
Special Revenue Funds:								
Gas Tax	245,764	1,892,500	1,797,000		1,797,000	95,500		341,264
Measure M	877,267	925,000		1,773,000	1,773,000	(848,000)		29,267
Ethics Skatepark		85,200	385,300		385,300	(300,100)	300,100	0
Air Quality Improvement	620,145	113,000	10,000		10,000	103,000	(64,000)	659,145
Park Development/Const.	576,751	15,000			0	15,000	(591,700)	51
Police Grants		165,200	165,200		165,200	0		0
Asset Forfeitures	11,130	200			0	200		11,330
Community Development								0
Block Grant	2,963	508,700	370,700	133,000	503,700	5,000		7,963
2007 Fire Disaster	865				0	0		865
Special Revenue Subtotal	2,334,885	3,704,800	2,728,200	1,906,000	4,634,200	(929,400)	(355,600)	1,049,885
Internal Service Funds:								
Vehicle Replacement					0	62,000		286,279
Debt Service Fund:	224,279	62,000						
Financing Authority								
Total Operating Budget	50,442,564	36,011,100	35,080,500	2,096,700	37,177,200	(552,200)	(16,434,100)	32,842,364
Capital Funds:								
Capital Improvement Projects	12,574,226	2,899,300		4,267,300	4,267,300	(1,368,000)	(5,177,700)	6,028,526
Opportunities Study				19,588,000	19,588,000	(19,588,000)	19,588,000	0
Transportation Mitigation				2,291,100	2,291,100	(2,291,100)	2,291,100	0
Subtotal	12,574,226	2,899,300	0	26,146,400	26,146,400	(23,247,100)	16,701,400	6,028,526
Reserve Funds:								
General (Designated)	3,757,917				0	0	1,370,000	5,127,917
General (Undesignated)	9,321,900				0	0	(723,400)	8,598,500
Economic Contingency	4,661,000				0	0	(361,700)	4,299,300
Emergency Services	3,000,000		119,500		119,500	(119,500)		2,880,500
Subtotal	20,740,817	0	119,500	0	119,500	(119,500)	284,900	20,906,217
Redevelopment Agency:								
Operating			1,104,100	900,000	2,004,100	(2,004,100)	2,004,100	0
Debt Service	3,625,228	4,365,000	1,647,900		1,647,900	2,717,100	(2,556,300)	3,786,028
Low and Moderate Income								
Housing	2,794,462	983,000	440,200		440,200	542,800		3,337,262
Subtotal	6,419,690	5,348,000	3,192,200	900,000	4,092,200	1,255,800	(552,200)	7,123,290
Grand Total All Funds	\$90,177,297	\$44,258,400	\$38,392,200	\$29,143,100	\$67,535,300	(\$23,276,900)	\$0	\$66,900,397

SUMMARY OF FINANCIAL RESERVE FUNDS

FISCAL YEAR 2009-10

Description	Balance July 1, 2009	Balance June 30, 2010
General (Designated):		
Potential Proposition 1A Loan		\$ 1,370,000
City Loan to Redevelopment Agency	\$ 1,138,143	1,138,143
Potential Redevelopment Agency Projects	1,000,000	1,000,000
Cable Grant - Public Education and Government (PEG)	950,854	950,854
Unrealized Investment Gains	617,930	617,930
Prepaid Expenditures	50,990	50,990
Total General (Designated)	<u>3,757,917</u>	<u>5,127,917</u>
General (Undesignated) ¹	9,321,900	8,598,500
Economic Contingency ²	4,661,000	4,299,300
Emergency Services	3,000,000 ³	2,880,500 ⁴
Total Financial Reserves	<u>\$ 20,740,817</u>	<u>\$ 20,906,217</u>

¹ 2/3 of 40% of General Fund revenues per the Reserve Policy

² 1/3 of 40% of General Fund revenues per the Reserve Policy

³ Amount set by the Reserve Policy

⁴ Reduced for programs related to disaster recovery. This reduction requires approval by 4 of the 5 Council Members.

CARRYOVER APPROPRIATIONS OVER \$100,000 FISCAL YEAR 2007-08 INTO FISCAL YEAR 2008-09¹

Description	Fund	Carryover Appropriation
Park Improvements	Capital Improvement Projects	\$3,827,800
Trabuco Road Master Plan of Arterial Highways	Capital Improvement Projects	2,182,639
Normandale Park	Capital Improvement Projects	1,656,054
Street Repaving and Slurry Seal	Gas Tax	1,551,035
Rockfield Streetscape	Capital Improvement Projects	1,106,622
Regency Park	Capital Improvement Projects	455,560
Street Repaving and Slurry Seal	General	452,949
Americans with Disabilities Act Access Ramps	Capital Improvement Projects	431,000
New Street Lights - Various Locations	Capital Improvement Projects	419,162
Traffic Signal Preemption	Capital Improvement Projects	390,000
Universally Accessible Playground	Community Development Block Grant	348,607
Traffic Management center Project		
Planning Report	Capital Improvement Projects	250,000
Street Repaving and Slurry Seal	Measure M	244,090
Americans with Disabilities Act Access Ramps	Community Development Block Grant	236,437
Signal at Vintage Woods and Lake Forest	Capital Improvement Projects	198,684
Light Industrial Area Zoning Overlay	General	155,000
Opportunities Study	General	141,795
El Toro Road/Swartz Landscaped Median	Capital Improvement Projects	141,174
Website Content Management/Intranet	General	132,000
Regency/Normandale Environmental Review	General	120,000
El Toro Corridor - Right of Way	Capital Improvement Projects	(171,967) ²
Total Carryover Appropriations Over \$100,000	95%	<u>\$14,268,641</u>
Total Carryover Appropriations	100%	<u>\$15,093,676</u>

¹ These carryover appropriations were approved by the City Council on December 16, 2008.

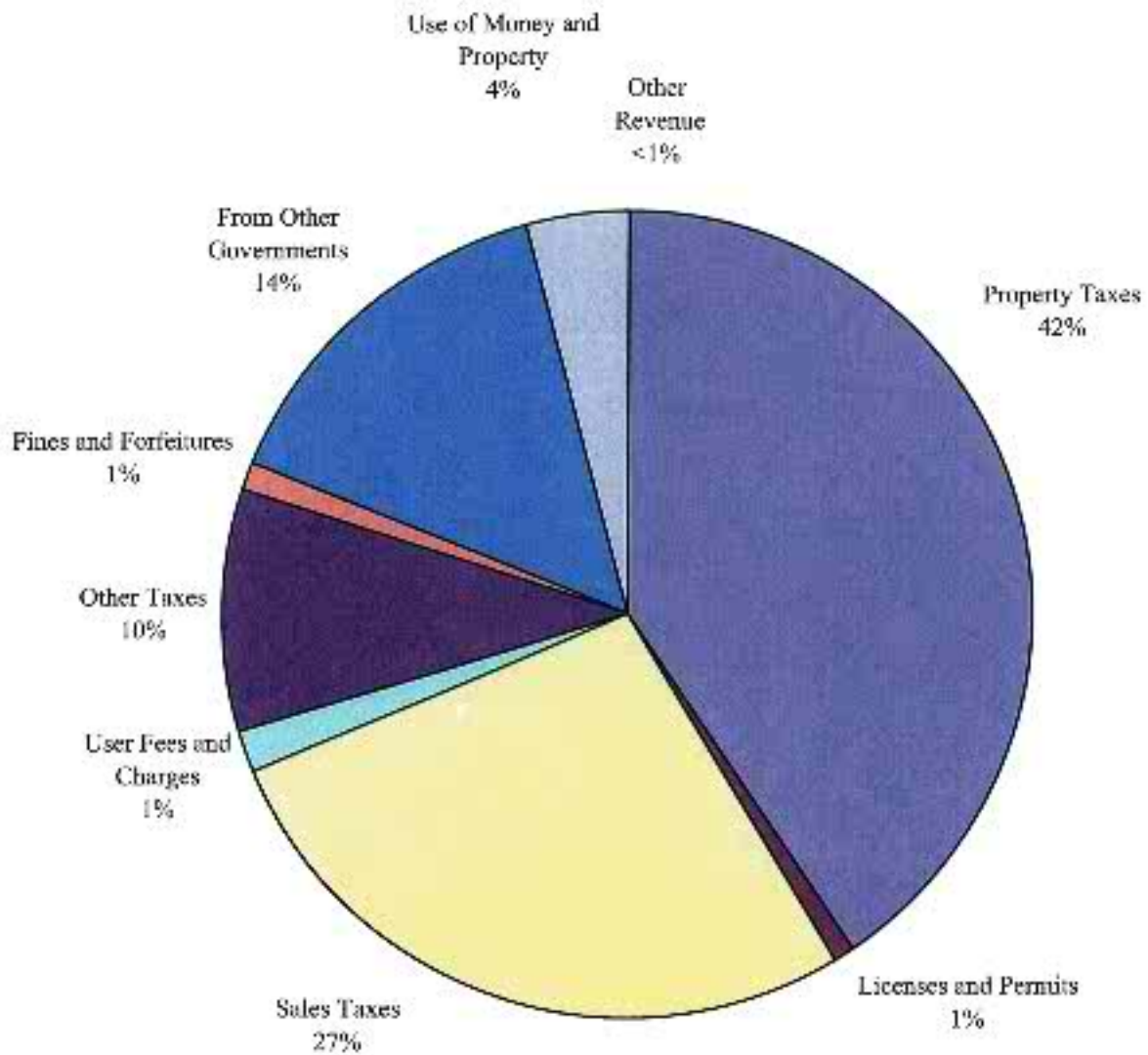
² This balance was offset against budget adjustments to the El Toro Road Traffic and Landscape Improvement Project in the 2008-09 Mid-Year Budget Review.

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2007-08	Adopted Budget 2008-09	Estimate 2008-09	Adopted Budget 2009-10
Property Taxes	\$17,299,167	\$17,470,600	\$18,249,600	\$17,966,900
Sales Tax	15,210,158	13,800,000	12,717,000	12,082,000
Other Taxes	5,334,989	4,935,000	4,595,000	4,367,000
Licenses and Permits	505,260	360,000	380,000	360,000
From Other Governments	6,239,335	4,615,100	5,595,300	6,410,500
User Fees and Charges	1,607,539	899,800	669,600	651,300
Fines and Forfeitures	565,983	520,000	520,000	520,000
Use of Money and Property	5,435,512	3,093,300	3,173,500	1,849,800
Other Revenue	347,433	50,000	1,384,400	50,900
Total All Funds	52,545,376	45,743,800	47,284,400	44,258,400
Less Redevelopment Agency	4,794,196	4,655,000	5,321,900	5,348,000
Total City Funds	\$47,751,180	\$41,088,800	\$41,962,500	\$38,910,400

SUMMARY OF REVENUES*

Fiscal Year 2009-10



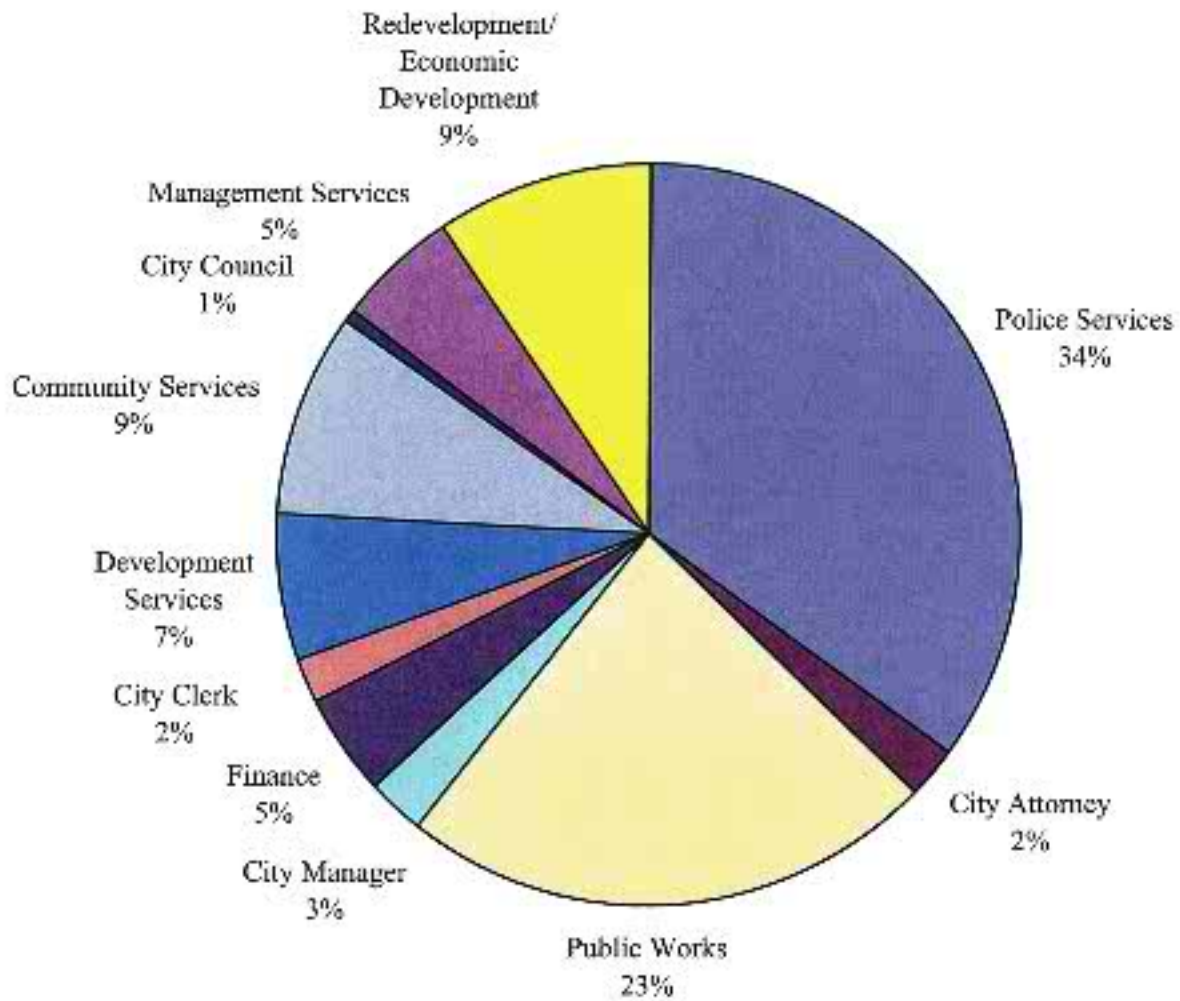
*Includes Redevelopment Agency activity

SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
City Council	\$221,024	\$236,050	\$264,850	\$251,600
City Manager	764,680	962,300	987,600	987,600
Redevelopment/Economic Development	2,545,197	3,577,900	3,579,700	3,579,400
City Attorney	1,243,590	850,000	887,700	887,700
City Clerk	655,609	819,300	674,200	674,200
Finance	1,620,259	1,667,900	1,771,100	1,771,100
Development Services	3,030,008	2,960,300	2,502,800	2,501,900
Public Works	8,462,709	9,183,700	8,888,700	8,888,700
Management Services	1,706,993	2,361,300	2,026,300	2,026,300
Community Services	2,717,297	3,130,700	3,392,500	3,392,500
Police Services	12,489,136	12,965,800	13,429,700	13,431,200
Vehicle Replacement	49,749	105,800		
Total Operating Expenditures	35,506,251	38,821,050	38,405,150	38,392,200
Less: Redevelopment Agency Operating Expenditures	(2,117,369)	(3,123,800)	(3,192,200)	(3,192,200)
Total City Operating Expenditures	33,388,882	35,697,250	35,212,950	35,200,000
Capital Projects	7,225,262	9,343,400	29,143,100	29,143,100
Less: Redevelopment Agency Capital Projects	(412,567)	(232,000)	(900,000)	(900,000)
Total City Capital Projects	6,812,695	9,111,400	28,243,100	28,243,100
Grand Total All City Funds	\$40,201,577	\$44,808,650	\$63,456,050	\$63,443,100

SUMMARY OF EXPENDITURES BY DEPARTMENT*

Fiscal Year 2009-2010



*Includes Redevelopment Agency Activity

PERSONNEL SUMMARY

Department	2007-08 Authorized		2008-09 Authorized		2009-10 Authorized	
	Full Time	Part Time	Full Time	Part Time Hours	Full Time	Part Time Hours
City Manager:						
City Manager	1		1		1	
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.5	
Assistant to the City Manager	1		1		1	
Executive Assistant	2		1		1	
Management Analyst			1		1	
Intern		1,248		1,248		1,248
Subtotal	<u>4.5</u>	<u>1,248</u>	<u>4.5</u>	<u>1,248</u>	<u>4.5</u>	<u>1,248</u>
Redevelopment/Economic Development:						
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.5	
Economic Development Specialist	1		1		1	
Housing Manager	1		1		1	
Redevelopment Project Manager	1		1		1	
Management Analyst	1		1		1	
Administrative Secretary	1		1		1	
Intern				1,040		2,080
Subtotal	<u>5.5</u>	<u></u>	<u>5.5</u>	<u>1,040</u>	<u>5.5</u>	<u>2,080</u>
City Clerk:						
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Administrative Secretary	1		1		1	
Senior Office Specialist	2		2		1	
Records Specialist	1		1		1	
Subtotal	<u>6</u>	<u></u>	<u>6</u>	<u></u>	<u>5</u>	<u></u>
Finance:						
Director of Finance/City Treasurer	1		1		1	
Accounting Manager		1,000	1		1	
Senior Accountant	1					
Accountant			1		1	
Contracts/Purchasing Administrator	1		1		1	
Senior Accounting Technician	1		1		1	
Accounting Technician				1,040	1	
Administrative Secretary	1		1		1	
Subtotal	<u>5</u>	<u>1,000</u>	<u>6</u>	<u>1,040</u>	<u>7</u>	<u>0</u>

PERSONNEL SUMMARY

Department	2007-08 Authorized		2008-09 Authorized		2009-10 Authorized	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time Hours
Development Services:						
Director of Development Services	1		1		1	
Planning Manager	1		1		1	
Senior Planner	2		2		2	
Associate Planner	1		1		1	
Assistant Planner	2		2		1	
Code Enforcement Supervisor	1		1		1	
Code Enforcement Officer	2		2		2	
Community Preservation Technician	1		1		1	
Administrative Secretary	1		1		1	
Records Specialist	1		1		1	1,248
Senior Office Specialist					1	
Building Technician	1	1,248	1	1,248	1	
Intern		4,200		4,160		1,040
Subtotal	<u>14</u>	<u>5,448</u>	<u>14</u>	<u>5,408</u>	<u>14</u>	<u>2,288</u>
Public Works:						
Director of Public Works/						
City Engineer	1		1		1	
Engineering Services Manager	1		1		1	
Public Works Manager	1		1		1	
Public Works Supervisor	1		1		1	
Traffic Engineer	1		1		1	
Civil Engineering Associate	1		1			
Principal Civil Engineer					1	
Water Quality Specialist	1		1		1	
Administrative Secretary	1		1		1	
Engineering Technician	1		1		1	
Landscape Inspector	2		2		2	
Management Analyst	1		1		1	
Forestry Intern		1,000		1,000		1,000
Senior Office Specialist	2		2		2	
Subtotal	<u>14</u>	<u>1,000</u>	<u>14</u>	<u>1,000</u>	<u>14</u>	<u>1,000</u>
Management Services:						
Director of Management Services	1		1		1	
Management Analyst	1		1		1	
Information Technology Manager			1		1	
Human Resources/Risk						
Management Manager	1		1		1	
Administrative Secretary	1		1		1	
Human Resources Technician	1		1		1	
Intern		1,333		2,288		2,288
Subtotal	<u>5</u>	<u>1,333</u>	<u>6</u>	<u>2,288</u>	<u>6</u>	<u>2,288</u>

PERSONNEL SUMMARY

Department	2007-08 Authorized		2008-09 Authorized		2009-10 Authorized	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time Hours
Community Services:						
Director of Community Services	1		1		1	
Recreation Program Manager	2		2		2	
Administrative Secretary	1		1		1	
Recreation Coordinator	4	2,600	4	3,900	4	6,000
Senior Office Specialist	1		1		1	
Recreation Leader		20,725		17,840		17,139
Recreation Specialist				2,000		2,000
Senior Recreation Leader				8,886		8,886
Facilities Maintenance Specialist	1		1	1,000	1	
Subtotal	<u>10</u>	<u>23,325</u>	<u>10</u>	<u>33,626</u>	<u>10</u>	<u>34,025</u>
Police Services:						
Public Safety Manager	1		1		1	
Administrative Secretary	1		1		1	
Subtotal	<u>1</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>
City Total	<u>65</u>	<u>33,354</u>	<u>68</u>	<u>45,650</u>	<u>68</u>	<u>42,929</u>

Section Three

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<u>Description</u>	<u>Section-Page</u>
Combined Program Revenues	3-1

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
General Fund				
Taxes				
Property Taxes - City:				
Secured	\$5,913,487	\$5,894,000	\$6,071,000	\$5,950,000
Unsecured	257,299	263,000	268,000	263,000
Supplemental	481,069	280,000	232,000	230,000
Prior Year	128,001	75,000	174,000	100,000
Homeowners' Exemptions	58,300	60,000	56,300	56,000
Penalties and Interest	33,705	16,000	34,500	30,000
Other		600	600	600
Property Taxes - Lighting District:				
Secured	465,339	464,000	470,000	461,000
Unsecured	20,255	22,000	20,000	20,000
Supplemental	20,250	22,000	9,600	10,000
Prior Year	10,161	6,000	13,700	10,000
Homeowners' Exemptions	4,536	4,700	4,300	4,300
Penalties and Interest	2,349	1,300	2,700	2,000
Property Taxes - Motor Vehicle				
In-Lieu Backfill	5,625,993	5,827,000	5,777,000	5,662,000
Sales and Use Taxes	15,210,158	13,800,000	12,717,000	12,082,000
Transient Occupancy Taxes	2,813,764	2,500,000	2,100,000	1,925,000
Real Property Transfer Taxes	233,317	200,000	200,000	200,000
Franchise Fees	2,287,908	2,235,000	2,295,000	2,242,000
Subtotal	33,565,891	31,670,600	30,445,700	29,247,900
Licenses and Permits				
Building Permit Fees	491,864	350,000	370,000	350,000
Sign Permits	13,396	10,000	10,000	10,000
Subtotal	505,260	360,000	380,000	360,000
From Other Governments				
Motor Vehicle In-Lieu Fees	346,806	320,000	195,000	195,000
Used Oil Recycling Grant	20,129	23,700	23,700	23,700
Vehicle Abatement Fees	63,143	60,000	60,000	60,000
Orange County Transportation Authority Grants:				
Senior Mobility	26,819	27,200	27,200	27,200
Go Local Program	90,786			
Emergency Operating Center Planning Grant	7,063			
Office of Traffic Safety Grant	9,549			

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
<i>From Other Governments (con't.)</i>				
Metropolitan Water District of Orange County Grant	10,462			
Metropolitan Water District Grant		250,800	250,800	
Census Luca Grant	10,000			
Justice Assistance Grant			14,200	
Alcoholic Beverage Control Grant			11,500	
Beverage Container Recycling Grant	13,486	21,500	21,500	21,500
County Recycling/Waste Diversion Grant			30,000	
Subtotal	598,243	703,200	633,900	327,400
<i>User Fees and Charges</i>				
Recreation Programs	20,152	17,000	26,000	26,000
Senior Programs	9,724	29,000	2,700	3,000
Teen Programs	3,315	4,000	3,500	3,500
Youth Programs				14,700
Recreation Classes	19,852	4,000	19,200	19,300
On-line Recreation Registration	30,956	28,000	40,000	45,000
Excursions	7,414	18,000	9,200	11,000
Facility Rental	1,205	200	200	600
Park Reservation Fees	1,711	400	800	800
Plan Check Fees	214,449	245,000	145,000	145,000
Fire Plan Check Fees	4,489	6,200	6,200	6,200
Engineering Fees	116,808	160,000	120,000	110,000
Planning and Zoning Fees	232,184	110,000	110,000	110,000
Opportunities Study Fees	714,218			
Records Retention/Imaging Fees	2,863	4,000	4,000	4,000
Copies and Maps	5,896	5,000	5,000	5,000
Subtotal	1,385,236	630,800	491,800	504,100
<i>Fines and Forfeitures</i>				
Motor Vehicles Code Fines	361,271	330,000	330,000	330,000
Local Ordinance Violations	204,712	190,000	190,000	190,000
Subtotal	565,983	520,000	520,000	520,000
<i>Use of Money and Property</i>				
Leases	124,603	127,000	114,000	114,000
Interest Income	4,329,201	2,300,000	2,300,000	1,120,000
Subtotal	4,453,804	2,427,000	2,414,000	1,234,000

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
<i>Other Revenue</i>				
State Mandated Claims	49,254	25,000	25,000	25,000
Senior Donations			900	900
Reimbursements	87,755		20,700	
Miscellaneous Revenue	21,482	25,000	25,000	25,000
Subtotal	158,491	50,000	71,600	50,900
General Fund Total	41,232,908	36,361,600	34,957,000	32,244,300
<i>Special Revenue Funds</i>				
<i>Gas Tax Fund</i>				
Section 2105	466,137	475,000	400,000	400,000
Section 2106	289,625	295,000	255,000	255,000
Section 2107	624,890	635,000	535,000	535,000
Section 2107.5	7,500	7,500	7,500	7,500
Proposition 42		750,000	670,000	670,000
Proposition 1B Grant	1,258,485		1,163,100	
Interest Income	98,306	30,000	30,000	25,000
Subtotal	2,744,943	2,192,500	3,060,600	1,892,500
<i>Measure M Fund</i>				
Turnback Allocation	1,037,728	1,000,000	930,000	900,000
Arterial Highway Rehabilitation				
Program Grant	250,880			
Interest Income	68,293	30,000	30,000	25,000
Other Revenue	3,392		38,500	
Subtotal	1,360,293	1,030,000	998,500	925,000
<i>Etnies Skatepark Fund</i>				
Online Registration	14,283	14,000	14,000	14,000
Skatepark Admissions		90,000		
Merchandise Sales	7,864	8,000	13,000	13,000
Coca-Cola Revenues	4,826	3,000	7,000	6,000
Sponsorships	24,343	15,000	32,000	32,000
Filming Fees	2,250	3,000	700	600
Classes	6,775	13,000	6,100	6,100
Contests	1,719	6,000	2,000	1,800
Camps	8,335	3,000	3,000	2,500
Skatepark Programs	10,408	24,000	10,000	9,200
Subtotal	80,803	179,000	87,800	85,200

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
<i>Air Quality Improvement Fund</i>				
Air Quality Management				
District Fees	93,451	93,000	93,000	93,000
Interest Income	25,733	12,000	22,000	20,000
Subtotal	119,184	105,000	115,000	113,000
<i>Park Development/ Construction Fund</i>				
Interest Income	30,260	15,000	20,000	15,000
Subtotal	30,260	15,000	20,000	15,000
<i>Police Grant Funds</i>				
COPS (Brulte) Grant	150,456	137,800	124,700	124,700
Justice Assistance Grant				40,000
Interest Income	3,360	1,000	1,000	500
Subtotal	153,816	138,800	125,700	165,200
<i>Asset Forfeitures Fund</i>				
Interest Income	590	300	300	200
Subtotal	590	300	300	200
<i>Community Development Block Grant Fund</i>				
Entitlement	(50,019)	478,600	478,600	478,600
Interest Income	36,576	8,000	200	100
Rehabilitation Loan Interest	6,424		2,000	
Loan Repayments	56,692	40,000	40,000	30,000
Sale of Land	326,000			
Subtotal	375,673	526,600	520,800	508,700
<i>2007 Fire Disaster Fund</i>				
Federal Emergency Management Agency Grant	80,179			
Office of Emergency Services Grant	21,213			
Subtotal	101,392	0	0	0
Special Revenue Funds Total	4,966,954	4,187,200	4,928,700	3,704,800

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
Capital Funds				
<i>Capital Improvement Projects</i>				
<i>Fund</i>				
Federal Grants:				
American Recovery and Reinvestment Act				749,300
State Grants:				
State Park Per Capita Grant	337,000			
El Toro Road Project Grants	158,320			
Orange County Transportation Authority Grants:				
Growth Management Area 9 Intersection Improvement Program	132,772			
	393,359			
Signal Improvement Program				250,000
Transportation Enhancement Master Plan of Arterial Highways Grant				500,000
				525,000 **
County Grants:				
Foothill Circulation Phasing Plan				525,000 *
City Aid Program Grant			262,500	
Interest Income	290,806	450,000	450,000	350,000
Reimbursements	67,310			
Other Revenue	30,240			
Subtotal	<u>1,072,807</u>	<u>450,000</u>	<u>712,500</u>	<u>2,150,000</u>
<i>Opportunity Study Area</i>				
<i>Capital Projects Fund</i>				
Other Revenue			1,274,300 **	
Subtotal			<u>1,274,300</u>	
Capital Funds Total	<u>1,072,807</u>	<u>450,000</u>	<u>1,986,800</u>	<u>2,150,000</u>
Debt Service Fund				
<i>Financing Authority Fund</i>				
Interest Income	11			
Subtotal	<u>11</u>	<u>0</u>	<u>0</u>	<u>0</u>

COMBINED PROGRAM REVENUES

Description	Actual 2007-08	Adopted Budget 2008-09	Estimated 2008-09	Adopted Budget 2009-10
Internal Service Fund				
<i>Vehicle Replacement Fund</i>				
Vehicle Replacement Charges	106,500	90,000	90,000	62,000
Other Revenue	35,000			
Subtotal	141,500	90,000	90,000	62,000
Total All City Funds	<u>\$47,751,180</u>	<u>\$41,088,800</u>	<u>\$41,962,500</u>	<u>\$38,910,400</u>
Redevelopment Agency				
<i>Operating Fund</i>				
Reimbursements	20,000			
Subtotal	20,000	0	0	0
<i>Low and Moderate Income</i>				
<i>Housing Fund</i>				
Tax Increment	754,429	800,000	923,600	933,000
Interest Income	176,717	60,000	60,000	50,000
Other Revenue	68,000			
Subtotal	999,146	860,000	983,600	983,000
<i>Debt Service Fund</i>				
Tax Increment	3,523,994	3,735,000	4,192,300	4,235,000
Interest Income	251,056	60,000	146,000	130,000
Subtotal	3,775,050	3,795,000	4,338,300	4,365,000
Total Redevelopment Agency	<u>4,794,196</u>	<u>4,655,000</u>	<u>5,321,900</u>	<u>5,348,000</u>
Grand Total All Funds	<u>\$52,545,376</u>	<u>\$45,743,800</u>	<u>\$47,284,400</u>	<u>\$44,258,400</u>

* Approval of this grant is pending.

** Advances pursuant to approved development agreements.

Section Four

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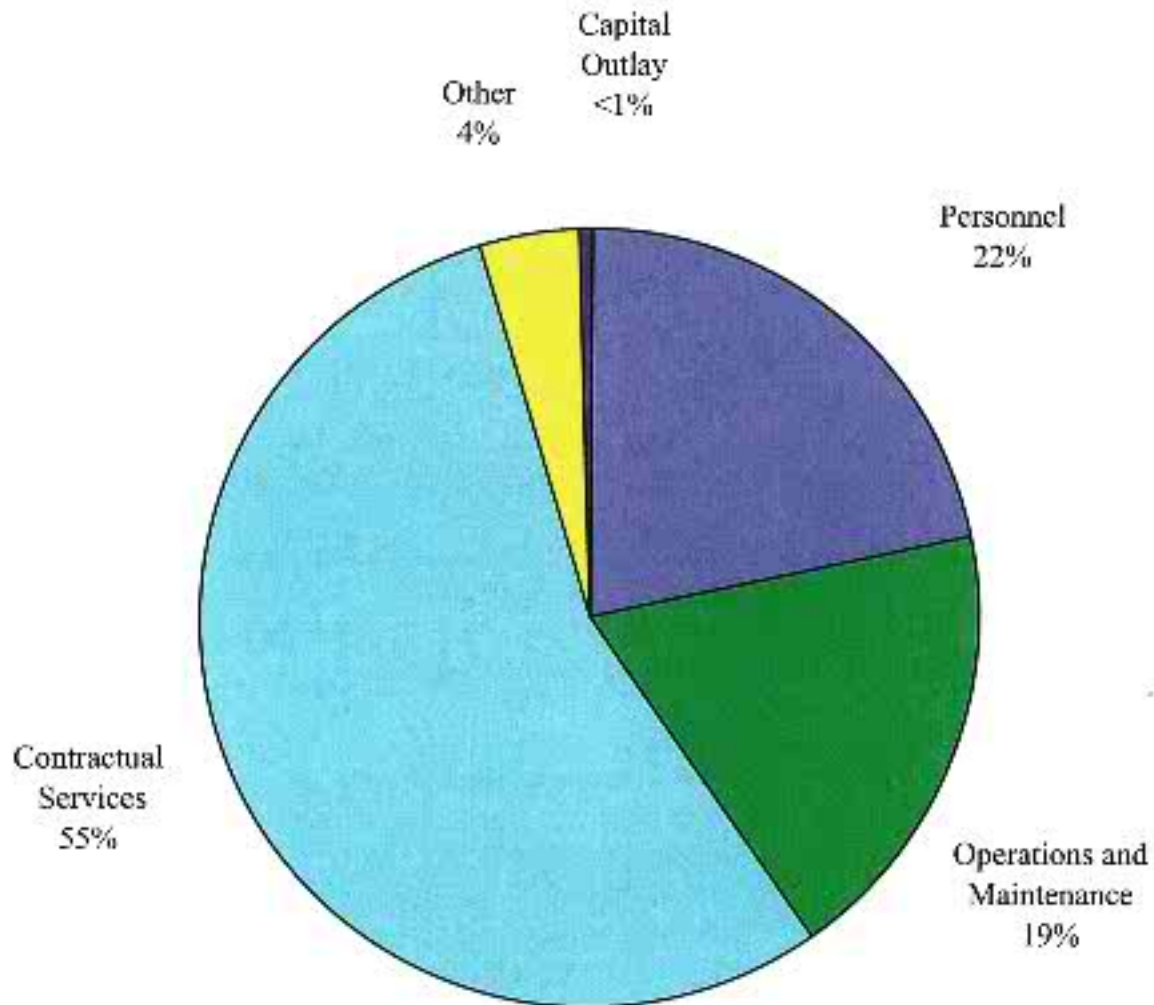
SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY*

Department	Personnel	Operations & Maintenance	Contract Services	Other	Capital Outlay	Totals
City Council	\$49,500	\$200,100	\$1,000		\$1,000	\$251,600
City Manager	777,800	141,800	68,000			987,600
Redevelopment/ Economic Development	680,600	172,700	1,078,200	\$1,647,900		3,579,400
City Attorney		9,700	878,000			887,700
City Clerk	462,900	195,300	16,000			674,200
Finance	783,600	828,300	157,300		1,900	1,771,100
Development Services	1,513,200	492,000	493,700		3,000	2,501,900
Public Works	1,585,000	2,107,600	5,195,200		900	8,888,700
Management Services	737,100	756,700	396,600		135,900	2,026,300
Community Services	1,492,700	1,829,800	39,000		31,000	3,392,500
Police Services	205,800	453,800	12,766,600		5,000	13,431,200
TOTAL EXPENDITURES	\$8,288,200	\$7,187,800	\$21,089,600	\$1,647,900	\$178,700	\$38,392,200

* Includes Redevelopment Agency operating costs of \$3,192,200 for Fiscal Year 2009-10.

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY*

Fiscal Year 2009-2010



* Includes Redevelopment Agency activity

CITY COUNCIL

DEPARTMENT DESCRIPTION

The City Council is comprised of five Lake Forest residents elected at large serving alternating four-year terms. The City Council selects a Mayor and Mayor Pro Tem annually. As a general law city, the City Council is responsible for making policy decisions and providing guidance on issues relating to the overall quality of life, which City staff then executes. It also represents the City with other governmental and non-governmental entities in a myriad of ways. The City Council also serves as the Redevelopment Agency.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Provided policy guidance through completion of Phase III of the Opportunities Study, including development agreements with four of five participating OSA landowners.
2. Provided policy guidance during Phase IV of the Opportunities Study, including initiating the Master Plan for the Sports Park / Community Center.
3. Increased community awareness through the 4th annual Lake Forest Community Preparedness Academy, and the City's third one-day Hometown Safety Expo, as well as development of the Woods area fire and evacuation plan.
4. Provided policy level guidance through continued monitoring of potential grant opportunities and applications submitted by Orange County Watershed staff, which were envisioned with the Memorandum of Understanding for the Serrano Creek Restoration with the County of Orange, Orange County Flood Control District and Irvine Ranch Water District.
5. Provided policy guidance for the completion of the Universally Accessible playground at Pittsford Park and renovations at Serrano Creek Park.
6. Provided policy guidance for the update of the City's Five-Year Strategic Business Plan and the development of the Opportunities Study Business Plan.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Provide policy level leadership through implementation of the Opportunities Study Phase IV, including, but not limited to, overseeing the design and construction of the Sports Park / Community Center and Civic Center projects.
2. Provide policy direction to implement an effective urban water quality program, while challenging intrusive and unnecessary state-imposed mandates.
3. Provide leadership and policy direction on reducing traffic congestion and increasing intra-city mobility, with particular focus on the Alton Parkway and Portola Parkway gap closures.
4. Maintain active involvement and representation in organizations, committees and commissions at the local, county, state and federal level.
5. Provide policy-level guidance and continue to work collaboratively with stakeholders to advance the joint effort toward completion of the Serrano Creek Restoration project.
6. Provide leadership and policy direction on the County's Master Planning process and design phase for the future expansion of the James A. Musick Jail Facility.
7. Provide policy guidance for the implementation of the City's Five-Year Strategic Business Plan.

<p align="center">CITY COUNCIL BUDGET OVERVIEW</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$47,633	\$48,600	\$49,500	\$49,500
Operations and Maintenance	172,391	186,450	213,350	200,100
Contract Services	1,000	1,000	1,000	1,000
Capital Outlay			1,000	1,000
Activity Total	<u>\$221,024</u>	<u>\$236,050</u>	<u>\$264,850</u>	<u>\$251,600</u>
Funding Sources:				
General Fund	\$217,124	\$232,450	\$261,250	\$248,000
Redevelopment Agency Operating Fund	3,900	3,600	3,600	3,600

CITY COUNCIL BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
City Council/Board Members (5)	\$43,441	\$44,700	\$45,800	\$45,800
Medicare	630	700	700	700
Retirement	3,562	3,200	3,000	3,000
Subtotal	47,633	48,600	49,500	49,500
<u>Operations and Maintenance:</u>				
Memberships and Dues	53,270	60,200	66,400	66,400
Travel, Conferences, and Meetings	30,031	22,000	34,500	34,500
Individual Travel Accounts:				
Dixon Travel	4,670	6,650	6,650	4,000
Herzog Travel	3,618	6,650	6,650	4,000
McCullough Travel	5,874	6,650	6,650	4,000
Rudolph Travel	6,400	6,650	6,650	4,000
Tettermer Travel	1,320	6,650	6,650	4,000
Operating Supplies	5,444	400	2,100	2,100
Special Supplies	420	6,000	7,000	7,000
Printing and Duplicating	399	100	100	100
Postage and Deliveries	193	200	200	200
Subscriptions and Books		700	700	700
Telephone and Other	1,058	400	700	700
City Hall Rent	50,796	53,800	61,100	61,100
Equipment Rental and Leases	312	200	300	300
Equipment Maintenance	300	200	200	200
Community Support	5,000			
Liability Insurance	2,404	7,800	5,600	5,600
Workers' Compensation Insurance	882	1,200	1,200	1,200
Subtotal	172,391	186,450	213,350	200,100
<u>Contract Services:</u>				
Miscellaneous	1,000	1,000	1,000	1,000
Subtotal	1,000	1,000	1,000	1,000
<u>Capital Outlay:</u>				
Equipment			1,000	1,000
Subtotal			1,000	1,000
Activity Total	\$221,024	\$236,050	\$264,850	\$251,600

CITY MANAGER

DEPARTMENT DESCRIPTION

Responsible for making policy recommendations to the City Council and implementing them as adopted. The City Manager serves as the Chief Executive Officer of the City and is responsible for daily operations and services to the community. Additional duties include: (1) Represent the City in legislative actions (2) Oversee emergency management operations (3) Manage environmental issues (4) Oversee annual Budget and Investment Policy (5) Work with other agencies in addressing regional issues (6) Provide information to the Council in a timely manner, and (7) Serve as Executive Director of the Lake Forest Redevelopment Agency.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Completed negotiations leading to approved development agreements with four of the five participating landowners to end Phase III of the Opportunities Study.
2. Initiated Phase IV of the Opportunities Study including, but not limited to, negotiating and acquiring 38 acres of property for future exchange with the County of Orange to enhance the City's recreation open space.
3. Advanced Alton Parkway gap closure through execution of a cooperative agreement with the County of Orange for the construction of the County segment (Alton Parkway and Commercentre Drive), and continued negotiations with the private landowner and explored all potential options to ensure a timely delivery of the Alton segment within the City of Lake Forest.
4. Provided executive guidance for the ongoing mandate from NPDES on the Urban Runoff Plan.
5. Guided the update of the City's Five-Year Strategic Business Plan in conjunction with the development of the Opportunities Study Business Plan.
6. Provided executive oversight during implementation of the Revitalization Action Plan for the Light Industrial Area.
7. Coordinated with Orange County Sheriff's Department officials on the County's Master Planning process for the future expansion of the James A. Musick Jail Facility.
8. Coordinated with Orange County Fire Authority and Orange County Sheriff's Department to develop fire and evacuation plans for the Woods Area.
9. Provided oversight of Go Local grant program, including submittal of two shuttle concepts to Orange County Transportation Authority during Phase I and detailed service planning during Phase II.
10. *Provided executive guidance and oversight in the completion of commercial revitalization projects along El Toro Road.
11. Chaired an annexation study effort by the Orange County City Managers Association on behalf of the Orange County Division, League of California Cities.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Provide executive oversight and guidance for implementation of the Opportunities Study Phase IV, including, but not limited to, overseeing the design and construction of the Sports Park / Community Center and Civic Center projects.

FISCAL YEAR 2009-10 MAJOR INITIATIVES (continued)

2. Provide executive oversight of efforts to expedite completion of the Alton Parkway gap closure, and encourage the completion of Portola Parkway.
3. Continue to monitor and participate in the County's Master Planning process for the future expansion of the James A. Musick Jail Facility.
4. Provide executive guidance and oversight for continued redevelopment in the project areas and a comprehensive evaluation of opportunities and constraints.
5. Oversee progress of the City's Parks & Recreation Five-Year Strategic Plan, including improvements to various parks in the community, and provide overall coordination of the City's 2009-11 Capital Improvement Program.
6. Provide guidance and actively manage efforts to maintain the City's strong financial base.

CITY MANAGER BUDGET OVERVIEW

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$604,251	\$750,100	\$777,800	\$777,800
Operations and Maintenance	124,079	142,200	141,800	141,800
Contract Services	27,180	70,000	68,000	68,000
Capital Outlay	9,170			
Activity Total	<u>\$764,680</u>	<u>\$962,300</u>	<u>\$987,600</u>	<u>\$987,600</u>
Funding Sources:				
General Fund	\$736,482	\$929,700	\$925,700	\$925,700
Redevelopment Agency Operating Fund	28,198	32,600	51,900	51,900
Air Quality Improvement Fund			10,000	10,000
Total Positions:				
Full-Time	4.5	4.5	4.5	4.5

PERFORMANCE MEASURES

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Professional Leadership</u>			
% of departmental objectives accomplished	90%	90%	90%

CITY MANAGER BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$428,712	\$515,100	\$542,700	\$542,700
Part-Time Personnel	5,610	18,800	18,800	18,800
Temporary Personnel		1,000	1,000	1,000
Medicare	6,822	7,500	8,100	8,100
Retirement	113,714	137,800	138,500	138,500
Health Insurance	49,393	69,900	68,700	68,700
Subtotal	604,251	750,100	777,800	777,800
<u>Operations and Maintenance:</u>				
Memberships and Dues	2,278	5,000	4,900	4,900
Training and Education	155	4,500	1,500	1,500
Travel, Conferences, and Meetings	10,972	17,900	11,400	11,400
Auto Allowance	11,900	12,100	12,100	12,100
Mileage Reimbursement	221	700	400	400
Operating Supplies	3,949	2,200	3,000	3,000
Printing and Duplicating	782	600	700	700
Postage and Deliveries	1,001	800	900	900
Subscriptions and Books	89	2,600	2,600	2,600
Telephone and Other	1,560	2,000	1,000	1,000
City Hall Rent	56,892	60,200	75,700	75,700
Equipment Rentals and Leases	1,590	1,600	1,400	1,400
Equipment Maintenance	1,532	800	900	900
Software Licenses and Maintenance	1,485	5,500	4,000	4,000
Liability Insurance	22,495	17,400	12,400	12,400
Workers' Compensation Insurance	7,178	8,300	8,900	8,900
Subtotal	124,079	142,200	141,800	141,800
<u>Contract Services:</u>				
Miscellaneous	27,180	70,000	58,000	58,000
Go Local Study - Phase 2			10,000	10,000
Subtotal	27,180	70,000	68,000	68,000
<u>Capital Outlay:</u>				
Equipment	1,485			
Furniture	7,685			
Subtotal	9,170	0	0	0
Activity Total	\$764,680	\$962,300	\$987,600	\$987,600

REDEVELOPMENT/ECONOMIC DEVELOPMENT

DEPARTMENT DESCRIPTION

The Redevelopment/Economic Development Department is responsible for the creation and implementation of comprehensive redevelopment, economic development, affordable housing and revitalization activities in the City. The department coordinates public information and promotional tools; provides business assistance programs; encourages growth and development of a diversified business community; and provides staff support to the Council/Agency and Commissions.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Led a City staff team to begin implementation the Revitalization Action Plan for the Light Industrial Area.
2. Initiated efforts to update the Agency's Policies and Procedures for Conformance Review.
3. Worked cooperatively with property owners to facilitate additional revitalization of commercial centers in the Arbor and promote business growth and expansion in the Arbor.
4. Pursued affordable housing opportunities to alleviate the Excess Surplus in the Low and Moderate Housing Fund and address the City/Agency's affordable housing needs.
5. Bolstered the Lake Forest Business Development and Attraction Program through the reenergized Business Visitation Program, creation of an Economic Development webpage, business brochure, and *In Business* newsletter, and conducted business seminars and recognition events including the 2008 Business Appreciation Luncheon, New Business Receptions, and the Commercial Broker Workshop.
6. Launched *Commercial Properties Now!* on the City's website with available for sale or for lease properties in Lake Forest, and Shop and Dine Lake Forest including a Shop and Dine Lake Forest webpage for shopping center information and promotion of Lake Forest businesses.
7. In conjunction with Development Services, completed a comprehensive neighborhood study and provided recommendations to begin implementation of neighborhood improvement activities in the Saguaro Neighborhood.
8. In conjunction with Development Services, led an evaluation of changing demographics and trends in code enforcement infractions in older neighborhoods within the project area and recommended policies and programs to protect the character and integrity of the area.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Lead a City staff team to continue implementation of the Revitalization Action Plan for the Light Industrial Area.
2. Work cooperatively with property owners to facilitate continued revitalization of commercial centers in the Arbor and promote business growth and expansion in the Arbor.

FISCAL YEAR 2009-10 MAJOR INITIATIVES (continued)

3. Pursue affordable housing opportunities to alleviate or avoid Excess Surplus in the Low and Moderate Housing Fund and address the City/Agency's affordable housing needs.
4. Explore the potential of an Economic Development Strategy.
5. Implement the Fiscal Year 2009-10 Business Development and Attraction Work Plan.
6. Prepare Five-Year Implementation Plan Update and update consolidated plan for CDBG.
7. Evaluate potential development options and issues for the Agency Parcel.

REDEVELOPMENT/ECONOMIC DEVELOPMENT-ALL DIVISIONS BUDGET OVERVIEW

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$384,947	\$628,100	\$680,600	\$680,600
Operations and Maintenance	105,453	163,900	173,000	172,700
Contract Services	619,158	1,008,800	1,078,200	1,078,200
Other	1,432,216	1,373,800	1,647,900	1,647,900
Capital Outlay	3,423	403,300		
Activity Total	<u>\$2,545,197</u>	<u>\$3,577,900</u>	<u>\$3,579,700</u>	<u>\$3,579,400</u>
Funding Sources:				
General Fund	\$213,466	\$331,300	\$360,600	\$360,300
Community Development Block Grant Fund	367,436	346,600	370,700	370,700
Redevelopment Agency Debt Service Fund	1,432,216	1,373,800	1,647,900	1,647,900
Redevelopment Agency Operating Fund	370,761	759,500	760,300	760,300
Redevelopment Agency Low and Moderate Income Housing Fund	161,318	766,700	440,200	440,200
Total Positions:				
Full-Time	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>

PERFORMANCE MEASURES

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Redevelopment</u>			
Establish performance goals and initiatives	100%	100%	100%
% of Department objectives accomplished	95%	96%	97%
% of Council/Agency/Commission requests completed	100%	100%	100%
% of Agency Conformance applications reviewed within City standard timeframes	95%	95%	96%

PERFORMANCE MEASURES (continued)

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Redevelopment (continued)</u>			
% of gov-Populous requests responded within City approved timeframe	100%	100%	100%
<u>Economic Development</u>			
Timely responses within 72 hours to requests for welcome/information packets	100%	100%	100%
% increase in attendance at Economic Development programs	over 100%	10%	10%
Increase number of business outreach	over 100%	20%	20%
<u>Housing</u>			
# of homes/mobile homes to receive exterior painting through Neighborhood Pride Paint Activity	6	7	6
# of homes that will receive housing rehabilitation loans	10	15	12

REDEVELOPMENT/ECONOMIC DEVELOPMENT-ALL DIVISIONS BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$273,446	\$431,600	\$471,900	\$471,900
Part-Time Personnel		15,600	27,200	\$27,200
Temporary Personnel		2,700	2,700	2,700
Medicare	4,256	6,400	7,200	7,200
Retirement	54,558	87,000	87,600	87,600
Health Insurance	52,687	84,800	84,000	84,000
Subtotal	384,947	628,100	680,600	680,600
<u>Operation and Maintenance:</u>				
Memberships and Dues	3,715	6,500	10,500	10,200
Training and Education	771	7,100	6,800	6,800
Travel, Conferences, and Meetings	4,130	24,200	9,000	9,000
Auto Allowance	7,414	11,400	11,400	11,400
Mileage Reimbursement	48	300	300	300
Operating Supplies	6,324	4,200	5,600	5,600
Printing and Duplicating	6,314	9,300	6,900	6,900
Postage and Deliveries	1,593	3,400	4,200	4,200
Subscriptions and Books	1,583	13,100	14,200	14,200
Telephone and Other	1,550	2,200	1,200	1,200
City Hall Rent	58,924	62,400	73,200	73,200
Equipment Rentals and Leases	1,808	1,900	1,700	1,700
Equipment Maintenance	1,742	900	1,200	1,200
Website Update Services	354	3,000	15,000	15,000
Liability Insurance	7,228	12,400	9,500	9,500
Workers' Compensation Insurance	1,955	1,600	2,300	2,300
Subtotal	105,453	163,900	173,000	172,700
<u>Contract Services:</u>				
Auditing	5,555	7,500	7,500	7,500
Economic Development	58,495	48,000	59,000	59,000
Legal		28,000	40,000	40,000
Housing	30,126	15,000	15,000	15,000
Redevelopment	156,308	225,000	196,000	196,000
Communications	46,295	104,000	83,000	83,000
Commercial Facade Rehabilitation Loans		150,000	175,000	175,000

REDEVELOPMENT/ECONOMIC DEVELOPMENT-ALL DIVISIONS BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services (continued):</u>				
General	4,326	16,400	45,000	45,000
Public Service Grants	68,044	71,800	71,700	71,700
Housing Rehabilitation Loans	160,000	230,000	288,000	288,000
Rehabilitation Loan Fees	10,025	8,300	17,000	17,000
Rehabilitation Loan Services	38,084	40,000	41,000	41,000
Rebuilding Together		6,000		
Citywide Paint Program	34,262	45,000	40,000	40,000
Neighborhood Pride	7,638	12,000		
Saguaro Neighborhood Pride		1,800		
Subtotal	619,158	1,008,800	1,078,200	1,078,200
<u>Other:</u>				
Pass-Through Payments	1,381,494	1,322,500	1,596,600	1,596,600
Interest	50,722	51,300	51,300	51,300
Subtotal	1,432,216	1,373,800	1,647,900	1,647,900
<u>Capital Outlay:</u>				
Equipment	2,359	1,800		
Computers		1,500		
Furniture	1,064			
Saguaro Neighborhood Improvements		400,000		
Subtotal	3,423	403,300	0	0
Activity Total	\$2,545,197	\$3,577,900	\$3,579,700	\$3,579,400

<p align="center">REDEVELOPMENT ADMINISTRATION DIVISION</p> <p align="center">BUDGET DETAIL</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$99,042	\$197,900	\$214,100	\$214,100
Part-Time Personnel		7,800	13,600	13,600
Temporary Personnel		1,300	1,300	1,300
Medicare	1,527	3,000	3,300	3,300
Retirement	20,029	39,900	39,800	39,800
Health Insurance	19,985	40,500	39,000	39,000
Subtotal	140,583	290,400	311,100	311,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	3,535	5,900	4,400	4,100
Training and Education	771	4,500	4,000	4,000
Travel, Conferences, and Meetings	3,368	13,500	5,800	5,800
Auto Allowance	2,207	5,100	5,100	5,100
Mileage Reimbursement	48	300	300	300
Operating Supplies	3,136	1,900	2,800	2,800
Printing and Duplicating	3,759	5,300	5,300	5,300
Postage and Deliveries	699	1,100	1,200	1,200
Subscriptions and Books		600	1,800	1,800
Telephone and Other	856	1,000	600	600
City Hall Rent	29,462	31,200	36,600	36,600
Equipment Rentals and Leases	826	900	900	900
Equipment Maintenance	796	400	600	600
Website Update Services	354	3,000	4,500	4,500
Liability Insurance	7,228	12,400	9,500	9,500
Workers' Compensation	1,955	1,600	2,300	2,300
Subtotal	59,000	88,700	85,700	85,400
<u>Contract Services:</u>				
Redevelopment	156,308	225,000	196,000	196,000
Communications	45,780	59,000	33,000	33,000
Commercial Facade Rehabilitation Loans		150,000	175,000	175,000
Subtotal	202,088	434,000	404,000	404,000

<p align="center">REDEVELOPMENT ADMINISTRATION DIVISION BUDGET DETAIL (continued)</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	2,359	800		
Furniture	1,064			
Computers		1,500		
Subtotal	3,423	2,300	0	0
<u>Other:</u>				
Pass-Through Payments	1,381,494	1,322,500	1,596,600	1,596,600
Interest	50,722	51,300	51,300	51,300
Subtotal	1,432,216	1,373,800	1,647,900	1,647,900
Activity Total	\$1,837,310	\$2,189,200	\$2,448,700	\$2,448,400
<u>Funding Sources:</u>				
General Fund	\$59,064	\$76,700	\$63,300	\$63,000
Redevelopment Agency Operating Fund	346,030	738,700	737,500	737,500
Redevelopment Agency Debt Service Fund	1,432,216	1,373,800	1,647,900	1,647,900

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$49,930	\$72,400	\$86,800	\$86,800
Part-Time Personnel		7,800	7,000	7,000
Temporary Personnel		1,400	1,400	1,400
Medicare	739	1,100	1,300	1,300
Retirement	9,306	14,800	16,100	16,100
Health Insurance	11,487	18,000	19,500	19,500
Subtotal	71,462	115,500	132,100	132,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	180	400	5,400	5,400
Training and Education		1,000	1,200	1,200
Travel, Conferences, and Meetings	610	8,000	2,000	2,000
Auto Allowance	1,007	1,500	1,500	1,500
Operating Supplies	2,062	1,000	1,300	1,300
Printing and Duplicating	2,337	3,500	1,100	1,100
Postage and Deliveries	419	1,800	2,500	2,500
Subscriptions and Books	1,583	11,800	11,700	11,700
Telephone and Other	267	500	200	200
City Hall Rent	14,731	15,600	18,300	18,300
Equipment Rentals and Leases	374	400	300	300
Equipment Maintenance	360	200	200	200
Website Update Services			10,500	10,500
Subtotal	23,930	45,700	56,200	56,200
<u>Contract Services:</u>				
Economic Development	58,495	48,000	59,000	59,000
Communications	515	45,000	50,000	50,000
Subtotal	59,010	93,000	109,000	109,000
<u>Capital Outlay:</u>				
Equipment		400		
Subtotal	0	400	0	0
Activity Total	\$154,402	\$254,600	\$297,300	\$297,300
 Funding Source:				
General Fund	\$154,402	\$254,600	\$297,300	\$297,300

HOUSING DIVISION BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$124,474	\$161,300	\$171,000	\$171,000
Part-Time Personnel			6,600	\$6,600
Medicare	1,990	2,300	2,600	2,600
Retirement	25,223	32,300	31,700	31,700
Health Insurance	21,215	26,300	25,500	25,500
Subtotal	172,902	222,200	237,400	237,400
<u>Operation and Maintenance:</u>				
Memberships and Dues		200	700	700
Training and Education		1,600	1,600	1,600
Travel, Conferences, and Meetings	152	2,700	1,200	1,200
Auto Allowance	4,200	4,800	4,800	4,800
Operating Supplies	1,126	1,300	1,500	1,500
Printing and Duplicating	218	500	500	500
Postage and Deliveries	475	500	500	500
Subscriptions and Books		700	700	700
Telephone and Other	427	700	400	400
City Hall Rent	14,731	15,600	18,300	18,300
Equipment Rentals/Leases	608	600	500	500
Equipment Maintenance	586	300	400	400
Subtotal	22,523	29,500	31,100	31,100
<u>Contract Services:</u>				
Auditing	5,555	7,500	7,500	7,500
Legal		28,000	40,000	40,000
Housing	30,126	15,000	15,000	15,000
General	4,326	16,400	45,000	45,000
Public Service Grants	68,044	71,800	71,700	71,700
Rebuilding Together		6,000		
Housing Rehabilitation Loans	160,000	230,000	288,000	288,000
Rehabilitation Loan Fees	10,025	8,300	17,000	17,000
Rehabilitation Loan Services	38,084	40,000	41,000	41,000
Citywide Paint Program	34,262	45,000	40,000	40,000
Neighborhood Pride	7,638	12,000		

<p align="center">HOUSING DIVISION BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services (continued):</u>				
Saguaro Neighborhood Pride		1,800		
Subtotal	358,060	481,800	565,200	565,200
<u>Capital Outlay:</u>				
Saguaro Neighborhood Improvements		400,000		
Equipment		600		
Subtotal	0	400,600	0	0
Activity Total	553,485	51,134,100	5833,700	5833,700
 Funding Sources:				
Community Development Block Grant	\$367,436	\$346,600	\$370,700	\$370,700
Redevelopment Agency Operating Fund	24,731	20,800	22,800	22,800
Redevelopment Agency Low and Moderate Income Housing Fund	161,318	766,700	440,200	440,200

CITY ATTORNEY

DEPARTMENT DESCRIPTION

The City Attorney acts as legal advisor to the City Council, City Manager, various City departments, commissions, committees and boards. The City Attorney attends all meetings of the City Council, Agency Board, and the Planning Commission, and prepares or approves as to legal form all proposed City ordinances, resolutions, agreements, contracts, deeds and other legal documents. The City Attorney also represents the City in all litigation in which the City is involved and prosecutes violations of City laws. The City of Lake Forest contracts with the law firm of Best, Best & Krieger, LLP for legal services.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Completed the transition from the District Attorney's Office, over all misdemeanor prosecution arising within the City, including trespassing violations. Successfully obtained guilty verdicts, fines, and stay away orders for criminal defendants.
2. Continued work on the Opportunities Study and the acquisition of park land sites from the County of Orange and other owners.
3. Completed comprehensive AB 1234 ethics training for all City Officials and staff.
4. Completed City's assumption of ownership and operation of numerous community park sites.
5. Completed major community stabilization initiatives resulting in the enactment of a comprehensive ordinance regulating massage.
6. Successfully prosecuted and defended numerous matters, at the administrative and trial levels, relating to massage technicians and massage establishments.
7. Obtained dismissal without prejudice of ACLU lawsuit.
8. Completed re-codification of several titles of the Lake Forest Municipal Code.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Assist City in real estate transactions relating to acquisition and exchange of park sites under the Opportunities Study.
2. Continue work on Opportunities Study enactments such as project level environmental review, and planning and financing of public facilities.
3. Comprehensive review and update of Phase 2 of Lake Forest Municipal Code Title 9.
4. Coordinate nuisance abatement efforts with law enforcement activities.
5. Support City in economic development and housing initiatives.

<p align="center">CITY ATTORNEY BUDGET OVERVIEW</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Operations and Maintenance			\$9,700	\$9,700
Capital Outlay	\$242			
Contract Services	1,243,348	\$850,000	878,000	878,000
Activity Total	<u>\$1,243,590</u>	<u>\$850,000</u>	<u>\$887,700</u>	<u>\$887,700</u>

Funding Sources:

General Fund	\$1,156,125	\$777,200	\$800,700	\$800,700
General Fund - NPDES*	33,903	20,800	35,000	35,000
Redevelopment Agency Operating Fund	53,562	52,000	52,000	52,000

* NPDES = National Pollution Discharge Elimination System

<p align="center">CITY ATTORNEY BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Operations and Maintenance:</u>				
City Hall Rent			\$9,700	\$9,700
Subtotal	\$0	\$0	\$9,700	\$9,700
<u>Capital Outlay:</u>				
Equipment	\$242			
Subtotal	\$242	\$0	\$0	\$0
<u>Contract Services:</u>				
Legal Services	1,180,494	\$726,000	806,000	806,000
Outside Legal Services	9,292	52,000	10,000	10,000
Redevelopment Agency Legal Services	53,562	52,000	52,000	52,000
Miscellaneous Professional Services		20,000	10,000	10,000
Subtotal	\$1,243,348	\$850,000	\$878,000	\$878,000
Activity Total	\$1,243,590	\$850,000	\$887,700	\$887,700

CITY CLERK

DEPARTMENT DESCRIPTION

The City Clerk's Department is responsible for a variety of functions including: (1) Clerk of the City Council and Secretary to the Lake Forest Redevelopment Agency and Rancho Cañada Financing Authority: Prepare agendas; record and maintain proceeding of meetings; issue Public Notices; and attest, publish/post, index, Resolutions and Ordinances. (2) City Clerk: Answer/or refer citizen inquiries; maintain custody of City Seal; administer and file Oaths of Office; accept and process claims, summons, and subpoenas; receive and open bids; notarize/certify documents; and accept Deeds and Grants which convey an interest to the City. (3) Conduct Elections: receive petitions and register voters (4) Filing Officer for the Political Reform Act of 1974: Accept and transmit necessary Campaign Statements and Conflict of Interests to the Fair Political Practices Commission. (5) Custodian of Records: Act as City Archivist/Historian; maintain City's Central File System; oversee authorized destruction of records; respond to public requests for records under the California Public Records Act and coordinate information requested by Subpoenas for Records.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Updated City's Records Retention Resolution.
2. Created New Election's Information Web Page.
3. Completed 25% of quality control process of vendor scanned and imported Agenda Staff Reports.
4. Audited scanned Agenda Reports and identified missing documents for future scanning.
5. Implemented new Agenda Automation System to enable the public to view and search agenda materials online.
6. Worked with Orange County City Clerks and Registrar of Voters on Voters' Rights Act Compliance.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Complete implementation of Minutes Module of Agenda Plus (Automated Agenda) Software.
2. Coordinate implementation of automated agenda staff report preparation and review.
3. Complete remaining quality control process of vendor scanned and imported Agenda Staff Reports.
4. Enhance City Clerk's Office internet web pages.

CITY CLERK BUDGET OVERVIEW

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$453,183	\$523,500	\$462,900	\$462,900
Operations and Maintenance	174,018	171,900	195,300	195,300
Contract Services	17,433	66,500	16,000	16,000
Capital Outlay	10,975	57,400		
Activity Total	<u>\$655,609</u>	<u>\$819,300</u>	<u>\$674,200</u>	<u>\$674,200</u>
Funding Sources:				
General Fund	\$651,514	\$806,300	\$648,300	\$648,300
Redevelopment Agency Operating Fund	4,095	13,000	25,900	25,900
Total Positions:				
Full-Time	<u>6.0</u>	<u>6.0</u>	<u>5.0</u>	<u>5.0</u>

PERFORMANCE MEASURES

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>City Council Support</u>			
% agendas completed and ready for delivery 72 hours prior to meeting	100%	100%	100%
% of Council meeting action agendas completed within 5 working days after meeting	100%	100%	100%
% of Council meeting minutes completed/approved by the next regularly-scheduled meeting	96%	95%	95%
% of requests for public records responded to within the regulations of the Public Records	95%	95%	100%
% of requests for records subpoenas responded to with court requirements	100%	100%	100%
<u>Elections</u>			
Cost per registered voter	N/A	\$1.05	N/A
<u>Public Information/Communications</u>			
% of Council resolutions meeting legal requirements	100%	100%	100%
% of Council ordinances meeting legal requirements	100%	100%	100%

CITY CLERK DEPARTMENT BUDGET DETAIL
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$299,504	\$352,000	\$317,600	\$317,600
Overtime	760	1,000	2,000	2,000
Temporary Personnel	24,496	5,000	5,000	5,000
Medicare	4,568	5,100	4,600	4,600
Retirement	58,456	70,400	58,700	58,700
Health Insurance	65,399	90,000	75,000	75,000
Subtotal	453,183	523,500	462,900	462,900
<u>Operation and Maintenance:</u>				
Memberships and Dues	905	1,300	800	800
Training and Education	1,241	4,300	4,300	4,300
Travel, Conferences, and Meetings	1,920	6,300	2,100	2,100
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	165	500	500	500
Operating Supplies	11,995	7,000	7,800	7,800
Printing and Duplicating	692	2,000	1,800	1,800
Legal Advertising	23,161	15,000	20,000	20,000
Postage and Deliveries	1,666	2,000	1,900	1,900
Subscriptions and Books	4,086	3,000	3,000	3,000
Telephone and Other	1,313	2,300	1,200	1,200
City Hall Rent	75,178	79,600	96,600	96,600
Equipment Rentals and Leases	1,870	1,900	1,600	1,600
Equipment Maintenance	2,214	1,000	1,100	1,100
Computer Maintenance and Supply	679			
Software Licenses and Maintenance	18,976	20,000	31,000	31,000
Bank Charges and Fees	52			
Liability Insurance	17,162	14,400	9,900	9,900
Workers' Compensation Insurance	5,943	6,500	6,900	6,900
Subtotal	174,018	171,900	195,300	195,300
<u>Contract Services:</u>				
Elections		50,000	1,000	1,000
Codification	16,960	15,000	15,000	15,000
Records Management	473	1,500		
Subtotal	17,433	66,500	16,000	16,000

<p align="center">CITY CLERK DEPARTMENT BUDGET DETAIL (continued)</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	10,595	7,000		
Furniture	380			
Computer Software		50,400		
Subtotal	<u>10,975</u>	<u>57,400</u>	<u>0</u>	<u>0</u>
 Activity Total	 <u>\$655,609</u>	 <u>\$819,300</u>	 <u>\$674,200</u>	 <u>\$674,200</u>

FINANCE

DEPARTMENT DESCRIPTION

The Finance Department is responsible for a variety of functions including accounting, budgeting, payroll, investments, contract management, and purchasing. The Director of Finance carries the subtitle of City Treasurer.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Performed an assessment for a new accounting software system.
2. Evaluated financing options for the Opportunities Study to provide funding for future public facilities.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Implement the acceptance of credit cards to enhance convenience of transactions with residents and others who do business with the City.
2. Implement a purchasing card program to increase efficiencies in the accounts payable process.
3. Facilitate and coordinate financing for future public facilities projects.

FINANCE DEPARTMENT BUDGET OVERVIEW

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$562,262	\$691,500	\$783,600	\$783,600
Operations and Maintenance	811,797	810,100	828,300	828,300
Contract Services	237,337	162,100	157,300	157,300
Capital Outlay	8,863	4,200	1,900	1,900
Activity Total	<u>\$1,620,259</u>	<u>\$1,667,900</u>	<u>\$1,771,100</u>	<u>\$1,771,100</u>
Funding Sources:				
General Fund	\$1,039,852	\$1,076,400	\$1,156,300	\$1,156,300
Certificates of Participation Fund	550,408	557,200	552,200	552,200
Redevelopment Agency Operating Fund	29,999	34,300	62,600	62,600
Total Positions:				
Full-Time	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>	<u>7.0</u>

PERFORMANCE MEASURES

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Accounting</u>			
Management letter items	0	0	0
% of invoices paid without incurring finance charges	99%	99%	99%
Days after month end for issuance of financial reports	29	19	19
<u>Budget Preparation</u>			
Date Budget adopted	6/19/2007	6/17/2008	6/16/2009
General fund revenues collected as % estimated*	95%	90%	90%
General fund expenditures expended as % budgeted*	96%	95%	95%
Annual Financial Report awards received	1	1	1

* Excludes carryovers.

PERFORMANCE MEASURES (continued)

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Investment Management</u>			
Investable funds as % of funds invested	98%	100%	99%
% of investments in compliance with policy	100%	100%	100%
% of investments within required safety ratings	100%	100%	100%
Weighted average maturity (in days)	163	240	150
<u>Contract Management</u>			
% of contracts with acceptable insurance	99%	99%	99%

<p align="center">FINANCE DEPARTMENT BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$361,904	\$475,300	\$564,600	\$564,600
Overtime	4,117	600	1,500	1,500
Part-Time Personnel	63,314	22,500		
Medicare	6,728	7,200	8,200	8,200
Retirement	74,813	95,900	104,300	104,300
Health Insurance	51,386	90,000	105,000	105,000
Subtotal	562,262	691,500	783,600	783,600
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,295	1,100	1,500	1,500
Training and Education	838	4,000	3,500	3,500
Travel, Conferences, and Meetings	2,818	6,600	4,200	4,200
Auto Allowance	9,877	10,800	10,800	10,800
Mileage Reimbursement	133	300	400	400
Operating Supplies	4,785	4,300	5,600	5,600
Printing and Duplicating	12,683	14,100	14,500	14,500
Postage and Deliveries	1,282	1,300	1,400	1,400
Subscriptions and Books	1,500	2,600	2,000	2,000
Telephone and Other	1,213	2,100	1,300	1,300
Certificate Lease Payments	548,538	555,000	550,000	550,000
City Hall Rent	50,817	53,800	57,000	57,000
Equipment Rentals and Leases	1,693	1,700	1,800	1,800
Equipment Maintenance	1,652	900	1,200	1,200
Computer Maintenance and Supply	446			
Software Licenses and Maintenance	8,874	10,200	10,000	10,000
Bank Charges and Fees	14,879	21,600	21,600	21,600
Property Tax Administration	117,174	95,000	120,000	120,000
Cash (Over/Short)	(6)			
Liability Insurance	23,303	16,000	12,200	12,200
Workers' Compensation	8,003	8,700	9,300	9,300
Subtotal	811,797	810,100	828,300	828,300
<u>Contract Services:</u>				
Other	1,870	2,200	2,200	2,200
Auditing	28,829	43,500	45,000	45,000
Special Audits	10,572	15,600	15,800	15,800

<p align="center">FINANCE DEPARTMENT BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services (continued):</u>				
Sales Tax Audits	21,151	22,000	25,000	25,000
Payroll	11,949	12,000	16,000	16,000
Miscellaneous	124,476			
General	38,490	66,800	53,300	53,300
Subtotal	237,337	162,100	157,300	157,300
<u>Capital Outlay:</u>				
Equipment	385	300	500	500
Furniture	1,024	2,000	900	900
Computers		1,500		
Computer Software	7,454	400	500	500
Subtotal	8,863	4,200	1,900	1,900
Activity Total	\$1,620,259	\$1,667,900	\$1,771,100	\$1,771,100

DEVELOPMENT SERVICES

DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the development and administration of programs that guide the City's growth and development. The Department provides planning-related staff support to the Council and Planning Commission and coordinates the activities of the regional development agencies within the City. The Department coordinates with the redevelopment project area efforts. The three functional areas are Current and Advanced Planning, Building Services and Code Enforcement.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Presented the General Plan Amendment, Zone Change, EIR and Development Agreements for the five properties in the Opportunities Study.
2. Began processing entitlement applications to implement the Opportunities Study for Portola Center, Peachwood and Irvine Ranch Water District properties.
3. Initiated the environmental review process for the development of a sports park.
4. Reviewed projects in adjacent jurisdictions and regional programs that may affect Lake Forest, including SB 375.
5. Completed the updated Housing Element for consideration by the State Housing and Community Development Department.
6. Completed revisions to the signage and parking sections of the Zoning Ordinance, and developed citywide design guidelines for City Council consideration.
7. Participated on staff team to implement the Revitalization Action Plan in the Light Industrial Area.
8. Completed the review and selection of a building and safety software system for City Council consideration.
9. Developed and implemented a Shopping Cart Retention Ordinance for City Council consideration.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Complete the review and analysis of area plans and master tract maps for properties within the Opportunities Study area and present for Planning Commission and City Council consideration.
2. Complete the environmental analysis and community outreach for the development of a sports park.
3. Develop and implement Neighborhood Outreach, Stabilization, and Revitalization Programs within areas of the City where economic and demographic factors and the age of the housing stock are influencing neighborhood character.
4. Review projects in adjacent jurisdictions and regional programs that may affect Lake Forest, including SB 375.
5. Implement the building and safety software system and its linkage to the City's imaging and geographic information systems.
6. Participate on staff team to implement the Revitalization Action Plan in the Light Industrial Area.
7. Initiate the environmental review for the five-year capital improvement projects scheduled for Fiscal Year 2009-10.
8. Completed the environmental review for improvements to local parks.

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$1,229,464	\$1,553,300	\$1,513,200	\$1,513,200
Operations and Maintenance	418,365	513,800	492,900	492,000
Contract Services	1,361,215	620,000	493,700	493,700
Capital Outlay	20,964	273,200	3,000	3,000
Activity Total	<u>\$3,030,008</u>	<u>\$2,960,300</u>	<u>\$2,502,800</u>	<u>\$2,501,900</u>
Funding Sources:				
General Fund	\$2,898,583	\$2,772,000	\$2,386,200	\$2,385,300
Community Development Block Grant	97,200	100,000		
Redevelopment Agency Operating Fund	33,320	88,300	116,600	116,600
Disaster Fund	905			
Total Positions:				
Full-Time	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>

PERFORMANCE MEASURES

<u>Description</u>	<u>Actual 2007-08</u>	<u>Adopted Budget 2008-09</u>	<u>Adopted Budget 2009-10</u>
<u>Building Inspection & Construction Plan</u>			
% of plan checks completed within timeframes established by City contract	90%	90%	100%
% of building inspections completed within timeframes established by City contract	100%	90%	100%
<u>Code Enforcement</u>			
% of violations voluntarily corrected	90%	90%	90%
<u>Planning Division</u>			
% of staff planning reviews completed on time within annually established timeframes	95%	95%	95%
% of budgeted studies and projects completed	75%	75%	80%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual</u> <u>2007-08</u>	<u>Adopted</u> <u>Budget</u> <u>2008-09</u>	<u>Adopted</u> <u>Budget</u> <u>2009-10</u>
<u>Administration</u>			
% of Planning Commission service issues identified and resolved	98%	95%	100%
% of department initiatives accomplished	80%	90%	90%

<p align="center">DEVELOPMENT SERVICES - ALL DIVISIONS</p> <p align="center">BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$850,034	\$1,029,700	\$1,048,500	\$1,048,500
Overtime	217	4,700	2,200	2,200
Part-Time Personnel	22,236	85,000	42,300	42,300
Medicare	13,138	14,900	15,700	15,700
Retirement	170,830	209,000	194,500	194,500
Health Insurance	173,009	210,000	210,000	210,000
Subtotal	1,229,464	1,553,300	1,513,200	1,513,200
<u>Operations and Maintenance:</u>				
Memberships and Dues	3,818	5,700	5,400	5,100
Training and Education	4,369	12,900	6,900	6,900
Travel, Conferences, and Meetings	6,265	17,900	14,200	13,600
Individual Travel Accounts:				
Carter Travel		2,400	2,400	2,400
Zechmeister Travel		2,400	2,400	2,400
Hughes Travel		2,400	2,400	2,400
Verplancke Travel	95	2,400	2,400	2,400
Anderson Travel		2,400	2,400	2,400
Commissioner Stipend	6,380	12,000	15,300	15,300
Commissioner Support	2,418	4,400	1,400	1,400
Auto Allowance	14,954	16,800	16,800	16,800
Mileage Reimbursement	309	1,200	1,400	1,400
Operating Supplies	17,592	22,000	19,700	19,700
Printing and Duplicating	6,493	14,800	16,300	16,300
Postage and Deliveries	3,438	6,200	4,700	4,700
Subscriptions and Books	5,889	7,700	10,600	10,600
Uniforms	2,682	5,300	4,000	4,000
Telephone and Other	7,335	9,800	9,000	9,000
City Hall Rent	225,573	238,600	252,100	252,100
Equipment Rentals and Leases	12,510	14,400	13,700	13,700
Equipment Maintenance	6,590	3,400	3,700	3,700
Software Licenses and Maintenance	13,349	38,700	33,700	33,700
Website Update Services		2,000		
Vehicle Replacement Charges	11,000	17,200	6,400	6,400
Vehicle Maintenance and Operation	5,601	6,600	8,000	8,000

<p align="center">DEVELOPMENT SERVICES - ALL DIVISIONS BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Operations and Maintenance (continued):</u>				
Liability Insurance	46,848	26,900	19,500	19,500
Workers' Compensation Insurance	14,857	17,300	18,100	18,100
Subtotal	418,365	513,800	492,900	492,000
<u>Contract Services:</u>				
Records Management		10,000		
Other	17,381			
Planning	163,031	195,000	93,700	93,700
Codification		35,000		
Opportunities Study	596,089			
Building and Safety	504,110	380,000	400,000	400,000
Go Local Study	79,699			
Wildfires Disaster	905			
Subtotal	1,361,215	620,000	493,700	493,700
<u>Capital Outlay:</u>				
Furniture	2,440			
Equipment	3,840	11,200		
Computers		2,000	3,000	3,000
Computer Software	14,684	260,000		
Subtotal	20,964	273,200	3,000	3,000
Activity Total	\$3,030,008	\$2,960,300	\$2,502,800	\$2,501,900

<p align="center">DEVELOPMENT SERVICES - ADMINISTRATION DIVISION</p> <p align="center">BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$228,287	\$255,000	\$310,800	\$310,800
Overtime	127	4,700	500	500
Part-Time Personnel	6,492	25,000	29,800	29,800
Medicare	3,521	3,700	4,900	4,900
Retirement	45,909	51,900	57,900	57,900
Health Insurance	42,770	45,000	60,000	60,000
Subtotal	327,106	385,300	463,900	463,900
<u>Operations and Maintenance:</u>				
Memberships and Dues	796	1,000	900	600
Training and Education	583	3,400	2,300	2,300
Travel, Conferences, and Meetings	116	4,100	2,300	1,700
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	254	500	700	700
Operating Supplies	5,613	3,500	3,800	3,800
Printing and Duplicating	333	500	300	300
Postage and Deliveries	522	700	600	600
Subscriptions and Books	(2)	4,000	4,000	4,000
Uniforms	151	300		
Telephone and Other	666	1,700	800	800
City Hall Rent	31,533	33,300	36,300	36,300
Equipment Rentals and Leases	935	1,400	1,100	1,100
Equipment Maintenance	1,051	700	700	700
Software Licenses and Maintenance	13,349	25,000		
Website Update Services		2,000		
Liability Insurance	46,848	26,900	19,500	19,500
Workers' Compensation	14,857	17,300	18,100	18,100
Subtotal	122,405	131,100	96,200	95,300
<u>Contract Services:</u>				
Records Management		10,000		
Subtotal	0	10,000	0	0

<p align="center">DEVELOPMENT SERVICES - ADMINISTRATION DIVISION BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	3,840	6,400		
Furniture	1,745			
Computers		2,000		
Subtotal	5,585	8,400	0	0
Activity Total	\$455,096	\$534,800	\$560,100	\$559,200
<u>Funding Sources:</u>				
General Fund	\$444,963	\$512,200	\$550,200	\$549,300
Redevelopment Agency Operating Fund	10,133	22,600	9,900	9,900

<p align="center">DEVELOPMENT SERVICES - BUILDING DIVISION</p> <p align="center">BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$56,011	\$63,200	\$64,500	\$64,500
Part-Time Personnel		35,000		
Medicare	849	900	900	900
Retirement	11,188	13,900	11,900	11,900
Health Insurance	17,089	15,000	15,000	15,000
Subtotal	85,137	128,000	92,300	92,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	180	500	500	500
Training and Education	85	2,400	600	600
Travel, Conferences, and Meetings		300	300	300
Mileage Reimbursement		200	100	100
Operating Supplies	3,393	3,200	3,800	3,800
Printing and Duplicating	1,489	2,600	2,400	2,400
Postage and Deliveries	800	900	900	900
Subscriptions and Books	3,022	500	500	500
Uniforms	1,474	2,000	2,000	2,000
Telephone and Other	1,006	2,100	1,100	1,100
City Hall Rent	18,083	19,100	21,900	21,900
Equipment Rentals and Leases	7,834	9,800	9,600	9,600
Software Licenses and Maintenance			20,000	20,000
Equipment Maintenance	1,936	900	1,000	1,000
Subtotal	39,302	44,500	64,700	64,700
<u>Contract Services:</u>				
Other	17,381			
Building and Safety	504,110	380,000	400,000	400,000
Wildfires Disaster	905			
Subtotal	522,396	380,000	400,000	400,000
<u>Capital Outlay:</u>				
Equipment		1,700		
Computers			3,000	3,000
Computer Software		260,000		
Subtotal	0	261,700	3,000	3,000
Activity Total	\$646,835	\$814,200	\$560,000	\$560,000
<u>Funding Sources:</u>				
General Fund	\$645,930	\$814,200	\$560,000	\$560,000
Disaster Fund	905			

<p align="center">DEVELOPMENT SERVICES - PLANNING DIVISION</p> <p align="center">BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$322,733	\$454,800	\$416,500	\$416,500
Overtime			1,700	1,700
Part-Time Personnel	15,744	25,000	12,500	12,500
Medicare	5,162	6,600	6,200	6,200
Retirement	65,817	91,800	77,200	77,200
Health Insurance	58,375	90,000	75,000	75,000
Subtotal	467,831	668,200	589,100	589,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,542	3,900	3,700	3,700
Training and Education	1,448	3,100	2,000	2,000
Travel, Conferences, and Meetings	5,030	9,000	7,600	7,600
Carter Travel		2,400	2,400	2,400
Zechmeister Travel		2,400	2,400	2,400
Hughes Travel		2,400	2,400	2,400
Verplancke Travel	95	2,400	2,400	2,400
Anderson Travel		2,400	2,400	2,400
Commissioner Stipend	6,380	12,000	15,300	15,300
Commissioner Support	2,418	4,400	1,400	1,400
Auto Allowance	10,154	12,000	12,000	12,000
Mileage Reimbursement	5	400	400	400
Operating Supplies	5,622	7,800	6,900	6,900
Printing and Duplicating	3,551	9,400	10,300	10,300
Postage and Deliveries	1,421	3,000	1,600	1,600
Subscriptions and Books	1,124	1,500	1,000	1,000
Uniforms		700	200	200
Telephone and Other	1,741	2,500	1,400	1,400
City Hall Rent	112,767	119,300	123,600	123,600
Equipment Rentals and Leases	2,494	2,000	1,900	1,900
Equipment Maintenance	2,402	1,100	1,300	1,300
Subtotal	159,194	204,100	202,600	202,600

<p align="center">DEVELOPMENT SERVICES - PLANNING DIVISION BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services:</u>				
Planning	163,031	195,000	93,700	93,700
Professional Services - Codification		35,000		
Opportunities Study	596,089			
Go Local Study	79,699			
Subtotal	838,819	230,000	93,700	93,700
<u>Capital Outlay:</u>				
Equipment		1,900		
Subtotal	0	1,900	0	0
Activity Total	\$1,465,844	\$1,104,200	\$885,400	\$885,400
<u>Funding Sources:</u>				
General Fund	\$1,442,657	\$1,038,500	\$834,500	\$834,500
Redevelopment Agency Operating Fund	23,187	65,700	50,900	50,900

DEVELOPMENT SERVICES - CODE ENFORCEMENT DIVISION BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel:				
Full-Time Personnel	\$243,003	\$256,700	\$256,700	\$256,700
Overtime	90			
Medicare	3,606	3,700	3,700	3,700
Retirement	47,916	51,400	47,500	47,500
Health Insurance	54,775	60,000	60,000	60,000
Subtotal	349,390	371,800	367,900	367,900
Operation and Maintenance:				
Memberships and Dues	300	300	300	300
Training and Education	2,253	4,000	2,000	2,000
Travel, Conferences, and Meetings	1,119	4,500	4,000	4,000
Mileage Reimbursement	50	100	200	200
Operating Supplies	2,964	7,500	5,200	5,200
Printing and Duplicating	1,120	2,300	3,300	3,300
Postage and Deliveries	695	1,600	1,600	1,600
Subscriptions and Books	1,745	1,700	5,100	5,100
Uniforms	1,057	2,300	1,800	1,800
Telephone and Other	3,922	3,500	5,700	5,700
City Hall Rent	63,190	66,900	70,300	70,300
Equipment Rentals and Leases	1,247	1,200	1,100	1,100
Equipment Maintenance	1,201	700	700	700
Software Licenses and Maintenance		13,700	13,700	13,700
Vehicle Replacement Charges	11,000	17,200	6,400	6,400
Vehicle Maintenance and Operation	5,601	6,600	8,000	8,000
Subtotal	97,464	134,100	129,400	129,400
Capital Outlay:				
Equipment		1,200		
Furniture	695			
Computer Software	14,684			
Subtotal	15,379	1,200	0	0
Activity Total	\$462,233	\$507,100	\$497,300	\$497,300
Funding Sources:				
General Fund	\$365,033	\$407,100	\$441,500	\$441,500
Community Development Block Grant	97,200	100,000		
Redevelopment Agency Operating Fund			55,800	55,800

PUBLIC WORKS

DEPARTMENT DESCRIPTION

Public Works is responsible for engineering programs and services such as maintenance of: municipal services/facilities, public streets, storm drains, bicycle/pedestrian facilities, municipal buildings, parkways, medians, and parks. In addition, Public Works also administers the water quality program to maintain compliance with federal, state, and local regulations and promote pollution prevention through inspections, education, and enforcement. The department investigates and resolves citizen inquiries related to engineering, maintenance, and traffic circulation issues. They conduct many on-site field meetings with community representatives and conduct researches in regards to contracts for maintenance and professional services for engineering. The department implements/manages programs and services for solid waste collection disposal and recycling; initiates planning, budgeting, design, bidding, construction contract administration and inspection of capital improvement projects. Other services offered by the Public Works Department are to analyze development applications to determine public works and transportation impacts; provide responsive transportation and encroachment permit processing and inspection services; administer bus bench/shelter facilities; and work with other governmental agencies on design and construction of public facilities.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Participated in the County's Alton Parkway Project Development Team to complete final design and construction bid award, secured necessary right-of-way, entered into a cooperative agreement with the County for construction of Alton Parkway and Commercentre Drive, and developed alternatives for construction of Alton Parkway between Commercentre Drive and Towne Centre Drive.
2. Worked collaboratively with memorandum of understanding stakeholders to advance the joint effort to advance the Serrano Creek Project.
3. Completed the Project Planning Report regarding benefits of real-time communications with each traffic signal in the City and a Citywide Traffic Management Center.
4. Generated seven proposal requests, recommended contract awards, and constructed ten projects identified in the Capital Improvement Projects Budget.
5. Awarded or extended the service agreements for maintenance of trees, parks, medians, parkways and slopes, bus shelters, street sweeping, City Hall janitorial, and park and playground safety inspection services.
6. Completed final plans and specifications for playground projects as identified in the Parks and Recreation Five-Year Strategic Plan.
7. Continued to manage and implement the City's water quality/pollution prevention program in compliance with Third-Term National Pollutant Discharge Elimination System (NPDES) Permits issued by the Santa Ana and San Diego Regional Water Quality Control Boards, while tracking, reviewing, and commenting on the draft Fourth-Term NPDES Permits issued from the respective Regional Boards.
8. Worked collaboratively with stakeholders for Borrego Canyon Wash stabilization and flood control improvements.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS (continued):

9. Completed Comprehensive Review of the Landscape Maintenance Standards, Medians, Parkways, and Slopes, and Parks including plant palettes.
10. Purchased and installed Smart Irrigation Controllers utilizing grant funds received from Metropolitan Water District.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Continue to participate in the Alton Parkway Project Development Team during construction, Irvine Boulevard to Commercentre, and design improvements, Commercentre to Towne Centre.
2. Develop education and information for citywide traffic safety and traffic congestion relief.
3. Work collaboratively with memorandum of understanding stakeholders to advance the joint effort to advance the Serrano Creek Project.
4. Continue to manage and implement the City's water quality/pollution prevention program in compliance with Third-Term of the National Pollutant Discharge Elimination System Permits and track, review, and comment on the draft Fourth-Term Permits for the Santa Ana and San Diego regions.
5. Generate proposal requests, verify qualifications, and recommend contract awards identified in the Capital Improvement Projects Budget.
6. Construct projects identified in the Capital Improvement Projects Budget.

<p align="center">PUBLIC WORKS - ALL DIVISIONS BUDGET OVERVIEW</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$1,200,392	\$1,523,400	\$1,585,000	\$1,585,000
Operations and Maintenance	1,846,901	2,210,200	2,107,600	2,107,600
Contract Services	5,409,190	5,151,300	5,195,200	5,195,200
Capital Outlay	6,226	298,800	900	900
Activity Total	<u>\$8,462,709</u>	<u>\$9,183,700</u>	<u>\$8,888,700</u>	<u>\$8,888,700</u>
Funding Sources:				
General Fund	\$6,556,035	\$7,296,600	\$7,060,500	\$7,060,500
Gas Tax Fund	1,866,041	1,887,100	1,797,000	1,797,000
Redevelopment Agency Operating Fund			31,200	31,200
Disaster Fund	40,633			
Total Positions:				
Full-Time	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>

<p align="center">PERFORMANCE MEASURES</p>

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Development Plans Review</u>			
% of development plans review completed within 10 days	78%	90%	90%
% of traffic review for development site plans completed within 10 days	80%	90%	90%
<u>Landscape Maintenance</u>			
% of service request responses accomplished within 5 days	100%	100%	100%
% of emergency responses accomplished within 4 hours	100%	100%	100%
% change: repair and replacement cost	4%	10%	5%
% change: landscape maintenance cost contracted services	2%	0%	5%
% change: citizen requests	-49%	-10%	-10%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2007-08</u>	<u>Adopted Budget 2008-09</u>	<u>Adopted Budget 2009-10</u>
<u>Park Maintenance</u>			
% change: park maintenance cost	2%	10%	5%
% of service request initial responses accomplished within 5 days	100%	100%	100%
Improvements completed as % of planned	100%	100%	100%
Athletic fields repaired as % of planned	100%	100%	100%
% change: citizen requests	-15%	-10%	-10%
<u>Park Planning and Construction</u>			
Improved acres as % of planned	100%	100%	100%
% change: cost per acre (acquisition)	0%	0%	0%
% change: cost per acre (planning)	0%	0%	0%
% change: cost per acre (design)	0%	0%	0%
<u>Solid Waste Services</u>			
% change: cost per ton disposed	3%	0%	3%
% change: cost per ton diverted	3%	0%	3%
% change: staff hours per total tons	0%	0%	0%
% change: service requests per total tons	-1%	0%	0%
% of service request initial investigation completed within 5 days	100%	100%	100%
% change: citizen requests	0%	-10%	-10%
<u>Streets and Right-of-Way Maintenance</u>			
% of paved street lane miles rated fair or better	78%	85%	85%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair (square foot)	-2%	2%	4%
% change: cost per traffic signal maintained	3%	0%	0%
% change: cost per tree maintained	0%	0%	0%
% change: cost per paved street curb mile swept	4.3%	3.45%	22%
Days between street sweepings		7	7
% change: citizen requests	-10%	-10%	-10%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual</u> <u>2007-08</u>	<u>Adopted</u> <u>Budget</u> <u>2008-09</u>	<u>Adopted</u> <u>Budget</u> <u>2009-10</u>
<u>Traffic Circulation</u>			
Average turnaround time for emergency responses (hours)	2	2	2
% of building equipment maintenance requests responded to within 2 days	100%	100%	100%

PUBLIC WORKS - ALL DIVISIONS BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$845,629	\$1,065,000	\$1,132,900	\$1,132,900
Overtime		200	1,400	1,400
Part-Time Personnel	3,732	13,000	13,000	13,000
Temporary Personnel	75,577	300	300	300
Medicare	12,410	15,400	16,600	16,600
Retirement	158,178	213,500	209,800	209,800
Health Insurance	162,479	208,000	211,000	211,000
Leave Accrual	(57,613)	8,000		
Subtotal	1,200,392	1,523,400	1,585,000	1,585,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,807	4,100	4,100	4,100
Training and Education	1,545	5,800	5,800	5,800
Travel, Conferences, and Meetings	1,508	5,600	6,200	6,200
Auto Allowance	14,377	19,800	19,900	19,900
Milcage Reimbursement	247	500	600	600
Operating Supplies	14,196	9,000	10,600	10,600
Printing and Duplicating	7,949	3,800	3,300	3,300
Legal Advertising		2,000	2,000	2,000
Postage and Deliveries	3,304	3,100	2,900	2,900
Subscriptions and Books	137	2,500	2,600	2,600
Bus Shelter Utilities	1,287	8,100	2,500	2,500
Street Light Utilities	502,226	553,000	530,000	530,000
Telephone and Other	5,155	5,600	5,300	5,300
Medians and Slopes Utilities	280,906	250,000	250,000	250,000
Parks Utilities	236,012	300,000	300,000	300,000
City Hall Rent	130,038	137,600	151,800	151,800
Equipment Rentals and Leases	5,040	4,700	3,800	3,800
Building Maintenance	9,001	31,400	10,000	10,000
Janitorial Maintenance	35,336	50,000	50,000	50,000
Electrical Maintenance	72,736	50,000	60,000	60,000
Building Repairs	2,809	2,000	2,500	2,500
Equipment Maintenance	4,645	2,400	2,700	2,700
Computer Maintenance and Supply	486	25,000		
Software Licenses and Maintenance		5,000	5,000	5,000

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Operation and Maintenance (continued):</u>				
Website Update Services		10,000	10,000	10,000
Vehicle Replacement	15,100	10,600	10,600	10,600
Vehicle Maintenance	7,120	6,000	7,000	7,000
NPDES*	141,415	293,000	264,500	264,500
Water Quality	96,903	160,500	178,500	178,500
Liability Insurance	174,667	161,700	117,700	117,700
Workers' Compensation Insurance	20,013	16,400	17,700	17,700
Traffic Signal Utilities	59,936	61,000	60,000	60,000
Miscellaneous Maintenance		10,000	10,000	10,000
Subtotal	1,846,901	2,210,200	2,107,600	2,107,600
<u>Contract Services:</u>				
Other	3,000	10,000		
Project Engineering	210,831	204,000	204,000	204,000
Traffic Engineering	346,633	114,500	200,000	200,000
Office Engineering	19,840	63,100	12,000	12,000
Solid Waste	831	4,000	2,000	2,000
Miscellaneous	140,665			
Communications		10,000		
Used Oil CIWMB*	22,086	23,700	23,700	23,700
Beverage Container Recycling	13,486	21,500	21,500	21,500
Park and Median, Parkway, and Slope Landscape Repairs	556,469	495,000	510,000	510,000
Park Landscape Maintenance	1,090,721	1,048,900	1,155,000	1,155,000
Median, Parkway, and Slope Landscape Maintenance	384,697	510,000	485,000	485,000
Tree Maintenance	210,100	230,000	150,000	150,000
Backflow Prevention	8,198	5,000	5,000	5,000
Residential Street Sweeping	215,578	190,600	205,000	205,000
Arterial Street Sweeping	104,048	99,900	145,000	145,000
Bus Shelter Maintenance	154,203	185,000	200,000	200,000
Traffic Signal Maintenance	347,062	190,000	300,000	300,000
Street Maintenance	1,540,109	1,726,100	1,557,000	1,557,000
Curb and Gutter Repair		5,000	5,000	5,000

PUBLIC WORKS - ALL DIVISIONS BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services (continued):</u>				
Sidewalk Repairs		15,000	15,000	15,000
Disaster Recovery Costs	40,633			
Subtotal	5,409,190	5,151,300	5,195,200	5,195,200
<u>Capital Outlay:</u>				
Furniture		1,000	900	900
Equipment	1,226	267,800		
Computer Software	5,000	30,000		
Subtotal	6,226	298,800	900	900
Activity Total	58,462,709	59,183,700	58,888,700	58,888,700

- * NPDES = National Pollutant Discharge Elimination System
CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$242,778	\$251,600	\$263,500	\$263,500
Overtime			200	200
Part-Time Personnel	3,732	13,000	13,000	13,000
Temporary Personnel		100	100	100
Medicare	3,553	3,600	4,000	4,000
Retirement	45,199	50,800	48,900	48,900
Health Insurance	41,044	43,400	43,400	43,400
Leave Accrual	(23,906)	4,000		
Subtotal	312,400	366,500	373,100	373,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	140	800	800	800
Training and Education	16	1,000	1,000	1,000
Travel, Conferences, and Meetings	43	2,500	2,900	2,900
Auto Allowance	4,560	4,600	4,600	4,600
Mileage Reimbursement	168	200	200	200
Operating Supplies	5,403	2,300	2,500	2,500
Printing and Duplicating	808	400	200	200
Legal Advertising		1,000	1,000	1,000
Postage and Deliveries	700	600	500	500
Subscriptions and Books	20	600	600	600
Telephone and Other	744	1,300	600	600
City Hall Rent	28,954	30,600	33,500	33,500
Equipment Rentals and Leases	1,060	1,100	800	800
Equipment Maintenance	1,311	600	600	600
Computer Maintenance and Supply	486			
Liability Insurance	174,667	161,700	117,700	117,700
Workers' Compensation Insurance	20,013	16,400	17,700	17,700
Subtotal	239,093	225,700	185,200	185,200
<u>Contract Services:</u>				
Solid Waste	831	4,000	2,000	2,000
Used Oil CIWMB*	22,086	23,700	23,700	23,700
Beverage Container Recycling	13,486	21,500	21,500	21,500
Subtotal	36,403	49,200	47,200	47,200

PUBLIC WORKS - ADMINISTRATION DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	293	1,000		
Computer Software		30,000		
Subtotal	293	31,000	0	0
Activity Total	\$588,189	\$672,400	\$605,500	\$605,500
Funding Source:				
General Fund	\$588,189	\$672,400	\$595,500	\$595,500
Redevelopment Agency Operating Fund			10,000	10,000

* CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$183,889	\$255,400	\$293,100	\$293,100
Overtime			200	200
Temporary Personnel	74,406			
Medicare	2,692	3,700	4,200	4,200
Retirement	33,498	51,100	54,300	54,300
Health Insurance	28,985	51,000	51,000	51,000
Leave Accrual	(17,578)	2,500		
Subtotal	<u>305,892</u>	<u>363,700</u>	<u>402,800</u>	<u>402,800</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	676	400	400	400
Training and Education		1,000	1,000	1,000
Travel, Conferences, and Meetings		700	700	700
Auto Allowance	3,277	5,700	5,700	5,700
Mileage Reimbursement	63	200	200	200
Operating Supplies	2,440	2,300	2,800	2,800
Printing and Duplicating	993	1,900	1,800	1,800
Legal Advertising		1,000	1,000	1,000
Postage and Deliveries	556	500	500	500
Subscriptions and Books		1,400	1,400	1,400
Street Light Utilities	502,226	553,000	530,000	530,000
Telephone and Other	702	1,200	700	700
City Hall Rent	43,989	46,600	49,700	49,700
Equipment Rentals and Leases	998	1,100	900	900
Equipment Maintenance	961	500	600	600
Subtotal	<u>556,881</u>	<u>617,500</u>	<u>597,400</u>	<u>597,400</u>
<u>Contract Services:</u>				
Other	3,000	10,000		
Project Engineering	210,831	204,000	204,000	204,000
Office Engineering	19,840	63,100	12,000	12,000
Miscellaneous	140,665			
Subtotal	<u>374,336</u>	<u>277,100</u>	<u>216,000</u>	<u>216,000</u>

PUBLIC WORKS - ENGINEERING DIVISION BUDGET DETAIL (continued)
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment		1,000		
Subtotal	0	1,000	0	0
Activity Total	\$1,237,109	\$1,259,300	\$1,216,200	\$1,216,200
 Funding Sources:				
General Fund	\$1,237,109	\$1,259,300	\$1,201,700	\$1,201,700
Redevelopment Agency Operating Fund			14,500	14,500

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$192,521	\$204,600	\$205,000	\$205,000
Overtime		200	600	600
Temporary Personnel		200	200	200
Medicare	2,772	3,000	3,000	3,000
Retirement	36,304	40,900	37,900	37,900
Health Insurance	44,913	44,600	44,600	44,600
Leave Accrual	(10,395)			
Subtotal	266,115	293,500	291,300	291,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,891	2,400	2,400	2,400
Training and Education	1,141	1,800	1,800	1,800
Travel, Conferences, and Meetings	945	2,000	2,200	2,200
Auto Allowance	1,500	1,500	1,500	1,500
Mileage Reimbursement	16	100	200	200
Operating Supplies	3,465	1,800	2,200	2,200
Printing and Duplicating	2,980	300	200	200
Postage and Deliveries	1,180	500	500	500
Subscriptions and Books	117		100	100
Bus Shelter Utilities	1,287	8,100	2,500	2,500
Telephone and Other	2,160	1,200	2,600	2,600
Median, Parkway, and Slope Utilities	280,906	250,000	250,000	250,000
Park Utilities	236,012	300,000	300,000	300,000
City Hall Rent	18,998	20,100	22,800	22,800
Equipment Rentals and Leases	1,455	900	800	800
Building Maintenance	9,001	31,400	10,000	10,000
Janitorial Maintenance	35,336	50,000	50,000	50,000
Electrical Maintenance	72,736	50,000	60,000	60,000
Building Repairs	2,809	2,000	2,500	2,500
Equipment Maintenance	901	500	600	600
Software Licenses and Maintenance		5,000	5,000	5,000
Vehicle Replacement	15,100	10,600	10,600	10,600
Vehicle Maintenance	7,120	5,000	6,000	6,000
Subtotal	697,056	745,200	734,500	734,500

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services:</u>				
Park and Median, Parkway, and Slope Landscape Repairs	418,460	360,000	360,000	360,000
Park Landscape Maintenance	1,090,721	1,048,900	1,155,000	1,155,000
Median, Parkway, and Slope Landscape Maintenance	384,697	510,000	485,000	485,000
Tree Maintenance	210,100	230,000	150,000	150,000
Backflow Prevention	8,198	5,000	5,000	5,000
Bus Shelter Maintenance	154,203	185,000	200,000	200,000
Disaster Recovery Costs	40,633			
Subtotal	2,307,012	2,338,900	2,355,000	2,355,000
<u>Capital Outlay:</u>				
Equipment	933	264,300		
Computer Software	5,000			
Subtotal	5,933	264,300	0	0
Activity Total	\$3,276,116	\$3,641,900	\$3,380,800	\$3,380,800
<u>Funding Sources:</u>				
General Fund	\$3,235,483	\$3,641,900	\$3,374,100	\$3,374,100
Redevelopment Agency Operating Fund			6,700	6,700
Disaster Fund	40,633			

**PUBLIC WORKS - STREET MAINTENANCE/
TRAFFIC MANAGEMENT DIVISION
BUDGET DETAIL**

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$93,291	\$205,300	\$217,600	\$217,600
Medicare	1,408	3,000	3,200	3,200
Retirement	17,817	41,100	40,300	40,300
Health Insurance	17,286	36,000	39,000	39,000
Leave Accrual	(996)			
Subtotal	128,806	285,400	300,100	300,100
<u>Operation and Maintenance:</u>				
Memberships and Dues		400	400	400
Training and Education		1,000	1,000	1,000
Travel, Conferences, and Meetings		400	400	400
Auto Allowance	1,350	4,300	4,400	4,400
Operating Supplies	1,591	1,400	1,600	1,600
Printing and Duplicating	2,831	300	200	200
Postage and Deliveries	504	500	400	400
Subscriptions and Books		200	200	200
Telephone and Other	685	1,100	500	500
City Hall Rent	15,137	16,000	18,700	18,700
Equipment Rentals and Leases	904	900	700	700
Equipment Maintenance	871	500	500	500
Traffic Signal Utilities	59,936	61,000	60,000	60,000
Miscellaneous Maintenance		10,000	10,000	10,000
Website Update Services		10,000	10,000	10,000
Subtotal	83,809	108,000	109,000	109,000
<u>Contract Services:</u>				
Traffic Engineering	346,633	114,500	200,000	200,000
Traffic Signal Maintenance	347,062	190,000	300,000	300,000
Street Maintenance	1,459,043	1,606,100	1,407,000	1,407,000
Curb and Gutter Repairs		5,000	5,000	5,000
Sidewalk Repairs		15,000	15,000	15,000
Subtotal	2,152,738	1,930,600	1,927,000	1,927,000

<p align="center">PUBLIC WORKS - STREET MAINTENANCE/ TRAFFIC MANAGEMENT DIVISION BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment		900		
Furniture		1,000		
Subtotal	0	1,900	0	0
Activity Total	<u>\$2,365,353</u>	<u>\$2,325,900</u>	<u>\$2,336,100</u>	<u>\$2,336,100</u>
 Funding Sources:				
General Fund	\$499,312	\$438,800	\$539,100	\$539,100
Gas Tax Fund	1,866,041	1,887,100	1,797,000	1,797,000

PUBLIC WORKS - NPDES*/WATER QUALITY DIVISION BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$133,150	\$148,100	\$153,700	\$153,700
Overtime			400	400
Temporary Personnel	1,171			
Medicare	1,985	2,100	2,200	2,200
Retirement	25,360	29,600	28,400	28,400
Health Insurance	30,251	33,000	33,000	33,000
Leave Accrual	(4,738)	1,500		
Subtotal	187,179	214,300	217,700	217,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	100	100	100	100
Training and Education	388	1,000	1,000	1,000
Travel, Conferences, Meetings	520			
Auto Allowance	3,690	3,700	3,700	3,700
Operating Supplies	1,297	1,200	1,500	1,500
Printing and Duplicating	337	900	900	900
Postage and Deliveries	364	1,000	1,000	1,000
Subscriptions and Books		300	300	300
Telephone and Other	864	800	900	900
City Hall Rent	22,960	24,300	27,100	27,100
Equipment Rentals and Leases	623	700	600	600
Equipment Maintenance	601	300	400	400
Computer Maintenance and Supply		25,000		
Vehicle Maintenance		1,000	1,000	1,000
Permits	141,415	293,000	264,500	264,500
Water Quality	96,903	160,500	178,500	178,500
Subtotal	270,062	513,800	481,500	481,500
<u>Contract Services:</u>				
Communications		10,000		
Park and Median, Parkway, and Slope Landscape Repairs	138,009	135,000	150,000	150,000
Residential Street Sweeping	215,578	190,600	205,000	205,000
Arterial Street Sweeping	104,048	99,900	145,000	145,000
Street Maintenance - Storm Drains	81,066	120,000	150,000	150,000
Subtotal	538,701	555,500	650,000	650,000

PUBLIC WORKS - NPDES*/WATER QUALITY DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Furniture			900	900
Equipment		600		
Subtotal	0	600	900	900
Activity Total	\$995,942	\$1,284,200	\$1,350,100	\$1,350,100
Funding Source:				
General Fund	\$995,942	\$1,284,200	\$1,350,100	\$1,350,100

* NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

The Department of Management Services includes the Human Resources, Information Technology and Public Affairs divisions. The Department coordinates the recruitment of talented and highly qualified candidates to join the City's workforce, provides safety training and directs the City's risk management program. The Department manages the City's technology needs and sets strategic guidelines to achieve long-term technology goals. The Department also manages public information, including City publications, websites, and communication with the media. The Director serves as the Public Information Officer.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Conducted 2008 Resident and Business Satisfaction survey.
2. Updated Lake Forest Five-Year Strategic Business Plan.
3. Updated Lake Forest Strategic Information Technology Guide.
4. Enhanced existing wellness exercise program for employees.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Implement a City of Lake Forest Speaker's Bureau.
2. Conduct a Photo Contest for a 2010 Lake Forest Calendar.
3. Post geographic information system maps for public use on City websites.
4. Implement a new Lake Forest Communications Plan to optimize the use of City publications, websites, public education government channels, and other community tools to convey information to residents and businesses.
5. Conduct Customer Service Training for all City Hall employees.

MANAGEMENT SERVICES - ALL DIVISIONS BUDGET OVERVIEW
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$520,970	\$728,300	\$737,100	\$737,100
Operations and Maintenance	547,895	836,900	756,700	756,700
Contract Services	346,231	538,300	396,600	396,600
Capital Outlay	291,897	257,800	135,900	135,900
Activity Total	<u>\$1,706,993</u>	<u>\$2,361,300</u>	<u>\$2,026,300</u>	<u>\$2,026,300</u>
Funding Sources:				
General Fund	\$1,706,993	\$2,361,300	\$1,906,800	\$1,906,800
Emergency Services Reserve Fund			119,500	119,500
Total Positions:				
Full-Time	<u>5.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>

PERFORMANCE MEASURES

<u>Description</u>	<u>Actual 2007-08</u>	<u>Adopted Budget 2008-09</u>	<u>Adopted Budget 2009-10</u>
<u>Personnel Recruitment and Selection</u>			
% of new hires passing probation	90%	95%	90%
% of successful recruitments	90%	95%	90%
Average # of working days to recruit	41	35	40
Employee turnover rate	11%	10%	10%
Average # of applications per open recruitment	60	40	50
<u>Training and Development</u>			
Performance evaluations - % completed on time	81%	90%	90%
<u>Risk Management</u>			
% of claims closed within 7 years	100%	100%	100%
<u>Computer Systems</u>			
% computer help desk calls completed within 3 days	75%	90%	85%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2007-08</u>	<u>Adopted Budget 2008-09</u>	<u>Adopted Budget 2009-10</u>
<u>Public Affairs</u>			
% meeting publication deadlines - Leaflet	90%	90%	100%
% meeting publication deadlines - e-Newsletter	90%	90%	91%
<u>GovPopulous Tickets</u>			
% closed within 5 days - Cox Communications	95%	95%	95%
% closed within 5 days - Human Resources	95%	95%	95%

<p align="center">MANAGEMENT SERVICES - ALL DIVISIONS</p> <p align="center">BUDGET DETAIL</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$348,776	\$482,100	\$495,900	\$495,900
Overtime	34	1,000	1,000	1,000
Part-Time Personnel	14,997	32,000	34,500	34,500
Temporary Personnel		4,000	3,000	3,000
Medicare	5,510	7,500	7,600	7,600
Retirement	70,074	97,700	92,100	92,100
Health Insurance	70,448	90,000	90,000	90,000
Annual Physical Exams	1,835	3,500	3,000	3,000
Pre-Employment Testing	5,055	4,500	4,000	4,000
Tuition Reimbursement	4,241	6,000	6,000	6,000
Subtotal	520,970	728,300	737,100	737,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	868	2,500	2,800	2,800
Training and Education	15,867	29,500	33,100	33,100
Travel, Conferences, and Meetings	6,202	12,300	9,800	9,800
Auto Allowance	7,800	10,800	10,800	10,800
Mileage Reimbursement	250	1,000	1,000	1,000
Operating Supplies	6,276	7,200	9,000	9,000
Printing and Duplicating	2,147	1,600	2,900	2,900
Legal Advertising	19,601	20,000	15,000	15,000
Postage and Deliveries	28,173	53,300	55,500	55,500
Subscriptions and Books	460	1,000	1,000	1,000
Telephone and Other	1,414	2,200	1,500	1,500
City Hall Rent	45,717	48,400	80,600	80,600
Equipment Rentals and Leases	1,745	1,900	2,100	2,100
Equipment Maintenance	2,239	900	1,400	1,400
Computer Maintenance and Supply	348,396	420,700	357,800	357,800
Software Licenses and Maintenance	2,750	43,500	97,000	97,000
Website Update Services	14,708	20,000	20,000	20,000
Community Support		100,000		
Liability Insurance	16,144	14,800	11,000	11,000
Workers' Compensation Insurance	4,252	6,500	6,900	6,900
Insurance - Property	16,736	21,000	20,000	20,000
Insurance - Other	6,150	17,800	17,500	17,500
Subtotal	547,895	836,900	756,700	756,700

<p align="center">MANAGEMENT SERVICES - ALL DIVISIONS BUDGET DETAIL (continued)</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services:</u>				
Other	762	4,000	4,000	4,000
Newsletter*	122,002	160,100	71,700	71,700
Citizen's Academy	3,020	4,000	4,000	4,000
Miscellaneous	27,025	55,300	52,800	52,800
Communications	107,369	98,000	99,000	99,000
General	21,416	20,000	20,000	20,000
Records Management	64,085	50,000	15,000	15,000
Information Services	552	146,900	130,100	130,100
Subtotal	346,231	538,300	396,600	396,600
<u>Capital Outlay:</u>				
Equipment	91,000	57,100	57,100	57,100
Furniture	147,002	5,600		
Computers	30,673	42,500	39,000	39,000
Computer Software	23,222	152,600	39,800	39,800
Subtotal	291,897	257,800	135,900	135,900
Activity Total	\$1,706,993	\$2,361,300	\$2,026,300	\$2,026,300

* Costs related to the Leisure Times were transferred to the Community Services Department in Fiscal Year 2009-10.

<p style="text-align: center;">MANAGEMENT SERVICES PUBLIC AFFAIRS DIVISION BUDGET DETAIL</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$209,637	\$229,900	\$239,500	\$239,500
Part-Time Personnel	14,997	16,000	16,000	16,000
Medicare	3,371	3,600	3,700	3,700
Retirement	42,143	46,600	44,500	44,500
Health Insurance	42,650	45,000	45,000	45,000
Subtotal	312,798	341,100	348,700	348,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	240	800	1,100	1,100
Training and Education	341	1,500	1,500	1,500
Travel, Conferences, and Meetings	4,373	7,600	4,100	4,100
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	148	500	500	500
Operating Supplies	4,593	4,800	5,200	5,200
Printing and Duplicating	1,936	400	1,500	1,500
Postage and Deliveries	27,726	52,600	54,500	54,500
Subscriptions and Books	326	500	500	500
Telephone and Other	961	1,400	700	700
City Hall Rent	27,430	29,000	50,200	50,200
Equipment Rentals and Leases	1,122	1,200	1,000	1,000
Equipment Maintenance	1,081	600	600	600
Software Licenses and Maintenance	2,750	13,500	13,500	13,500
Website Update Services	14,708	20,000	20,000	20,000
Community Support		100,000		
Liability Insurance	16,144	14,800	11,000	11,000
Workers' Compensation Insurance	4,252	6,500	6,900	6,900
Subtotal	112,931	260,500	177,600	177,600
<u>Contract Services:</u>				
Newsletter*	122,002	160,100	71,700	71,700
Citizen's Academy	3,020	4,000	4,000	4,000
Communications	107,369	98,000	99,000	99,000
General	21,416	20,000	20,000	20,000
Subtotal	253,807	282,100	194,700	194,700

<p align="center">MANAGEMENT SERVICES PUBLIC AFFAIRS DIVISION BUDGET DETAIL (continued)</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	27,505			
Furniture	144,671	700		
Computers		2,000		
Computer Software		13,500		
Subtotal	172,176	16,200	0	0
Activity Total	\$851,712	\$899,900	\$721,000	\$721,000
Funding Source:				
General Fund	\$851,712	\$899,900	\$721,000	\$721,000

* Costs related to the Leisure Times were transferred to the Community Services Department in Fiscal Year 2009-10.

INFORMATION TECHNOLOGY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel		\$103,400	\$94,600	\$94,600
Part-Time Personnel		16,000	18,500	18,500
Medicare		1,700	1,600	1,600
Retirement		21,300	17,700	17,700
Health Insurance		15,000	15,000	15,000
Subtotal		157,400	147,400	147,400
<u>Operation and Maintenance:</u>				
Memberships and Dues		500	500	500
Training and Education	\$2,835	6,000	6,000	6,000
Travel, Conferences, and Meetings		2,000	1,200	1,200
Auto Allowance		3,000	3,000	3,000
Operating Supplies	3		1,200	1,200
Printing and Duplicating			200	200
Postage and Deliveries			300	300
Telephone and Other	15		400	400
City Hall Rent			8,300	8,300
Equipment Rentals and Leases			600	600
Equipment Maintenance			400	400
Computer Maintenance and Supply	348,396	420,700	357,800	357,800
Software Licenses and Maintenance		30,000	83,500	83,500
Subtotal	351,249	462,200	463,400	463,400
<u>Contract Services:</u>				
Records Management	64,085	50,000	15,000	15,000
Information Services	552	146,900	130,100	130,100
Subtotal	64,637	196,900	145,100	145,100
<u>Capital Outlay:</u>				
Equipment	58,858	57,100	57,100	57,100
Furniture	1,519	4,900		
Computers	30,673	40,500	39,000	39,000
Computer Software	16,472	139,100	39,800	39,800
Subtotal	107,522	241,600	135,900	135,900
Activity Total	\$523,408	\$1,058,100	\$891,800	\$891,800
<u>Funding Source:</u>				
General Fund	\$523,408	\$1,058,100	\$772,300	\$772,300
Emergency Services Reserve Fund			119,500	119,500

<p align="center">MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION</p> <p align="center">BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$139,139	\$148,800	\$161,800	\$161,800
Overtime	34	1,000	1,000	1,000
Temporary Personnel		4,000	3,000	3,000
Medicare	2,139	2,200	2,300	2,300
Retirement	27,931	29,800	29,900	29,900
Health Insurance	27,798	30,000	30,000	30,000
Annual Physical Exams	1,835	3,500	3,000	3,000
Pre-Employment Testing	5,055	4,500	4,000	4,000
Tuition Reimbursement	4,241	6,000	6,000	6,000
Subtotal	208,172	229,800	241,000	241,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	628	1,200	1,200	1,200
Training and Education	12,691	22,000	25,600	25,600
Travel, Conferences, and Meetings	1,829	2,700	4,500	4,500
Auto Allowance	3,000	3,000	3,000	3,000
Mileage Reimbursement	102	500	500	500
Operating Supplies	1,680	2,400	2,600	2,600
Printing and Duplicating	211	1,200	1,200	1,200
Legal Advertising	19,601	20,000	15,000	15,000
Postage and Deliveries	447	700	700	700
Subscriptions and Books	134	500	500	500
Telephone and Other	438	800	400	400
City Hall Rent	18,287	19,400	22,100	22,100
Equipment Rentals and Leases	623	700	500	500
Equipment Maintenance	1,158	300	400	400
Insurance - Property	16,736	21,000	20,000	20,000
Insurance - Other	6,150	17,800	17,500	17,500
Subtotal	83,715	114,200	115,700	115,700
<u>Contract Services:</u>				
Other	762	4,000	4,000	4,000
Miscellaneous	27,025	55,300	52,800	52,800
Subtotal	27,787	59,300	56,800	56,800

<p align="center">MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Capital Outlay:</u>				
Equipment	4,637			
Furniture	812			
Computer Software	6,750			
Subtotal	12,199	0	0	0
Activity Total	\$331,873	\$403,300	\$413,500	\$413,500
Funding Source:				
General Fund	\$331,873	\$403,300	\$413,500	\$413,500

COMMUNITY SERVICES

The Community Services Department provides planning and coordination of community recreation-related activities and programs that include youth, teens, adults, families and seniors. The Department also plans citywide special events, Nature Park and Skatepark programs, excursions and park openings. The Department also coordinates and manages the planning and design of recreation and community facilities.

FISCAL YEAR 2008-09 MAJOR ACCOMPLISHMENTS

1. Completed construction of universally-accessible playground.
2. Coordinated design and construction at various parks: Alton, Borrego, El Toro, Foothill Community and Ranchwood.
3. Increased contract class revenue and cost recovery.
4. Assisted in the design, planning and acquisition of proposed recreational facilities including, but not limited to: Community Sports Park, Community Center, and Regency/Normandale Park.
5. Coordinated design for snack bar and concession building at Heroes Park.
6. Established 501(c)(3) Lake Forest Foundation.
7. Increased Skatepark cost recovery.
8. Coordinated design for Skatepark improvements.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Finalize Master Plan for Sports Park and Community Center.
2. Complete construction of Heroes restroom/snack bar.
3. Complete construction of Skatepark expansion.
4. Coordinate implementation of Five-Year Strategic Plan, including design services for shade structure program and renovation of Mountain View and Concourse Parks.
5. Increase department cost recovery including Skatepark revenue.
6. Oversee development of plans and specifications in preparation to bid for Sports Park and Community Center.

<p align="center">COMMUNITY SERVICES BUDGET OVERVIEW</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$1,172,995	\$1,381,500	\$1,492,700	\$1,492,700
Operations and Maintenance	1,429,696	1,679,600	1,829,800	1,829,800
Contract Services	68,502	39,000	39,000	39,000
Capital Outlay	46,104	30,600	31,000	31,000
Activity Total	<u>\$2,717,297</u>	<u>\$3,130,700</u>	<u>\$3,392,500</u>	<u>\$3,392,500</u>
Funding Sources:				
General Fund	\$2,344,783	\$2,753,800	\$3,007,200	\$3,007,200
Ethics Skatepark Fund	372,514	376,900	385,300	385,300
Total Positions:				
Full-Time	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>

<p align="center">PERFORMANCE MEASURES</p>

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Recreation</u>			
# of elementary students in SVUSD participating in after school programs	76,353	70,000	80,000
# of teens participating in City programs	3,618	4,500	4,500
# of seniors participating in City programs	39,279	50,000	50,000
# of participants in City programs	202,599	225,000	225,000
Recreation class revenue	\$12,000	\$25,000	\$25,000
Cost recovery rate	6%	8%	9%

<p align="center">COMMUNITY SERVICES BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$540,593	\$632,700	\$687,900	\$687,900
Overtime	781	2,000	2,000	2,000
Part-Time Personnel	346,846	433,700	499,700	499,700
Temporary Personnel	13,522	10,000	2,000	2,000
Medicare	13,475	12,700	17,300	17,300
Retirement	138,095	140,400	133,800	133,800
Health Insurance	119,683	150,000	150,000	150,000
Subtotal	1,172,995	1,381,500	1,492,700	1,492,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,803	2,700	2,600	2,600
Training and Education	215	1,000	1,000	1,000
Travel, Conferences, and Meetings	7,204	10,800	7,500	7,500
Herrin Travel	559	2,400	2,400	2,400
Irish Travel			2,400	2,400
Manning Travel	309	2,400	2,400	2,400
Morrell Travel	2,251	2,400	2,400	2,400
Rosenberg Travel	309	2,400	2,400	2,400
Zeiler Travel	382	2,400		
Commissioner Stipend	2,475	3,300	3,500	3,500
Auto Allowance	10,800	10,800	10,800	10,800
Mileage Reimbursement	997	1,100	1,500	1,500
Operating Supplies	55,090	59,100	58,400	58,400
Printing and Duplicating*	4,112	6,900	98,500	98,500
Postage and Deliveries	3,530	6,500	31,000	31,000
Uniforms	1,421	4,000	4,000	4,000
Telephone and Other	16,207	28,000	25,900	25,900
City Hall Rent	113,783	120,400	124,700	124,700
Community Center Rent	68,067	72,000	75,600	75,600
Equipment Rentals and Leases	19,437	22,400	27,300	27,300
Building Maintenance			1,200	1,200
Equipment Maintenance	8,117	3,500	4,800	4,800
Computer Maintenance and Supply	1,521			
Software Licenses and Maintenance	15,893	8,000	9,000	9,000
Website Update Services		9,000		
Vehicle Replacement	7,000			
Vehicle Maintenance	3,474	8,500	10,800	10,800

COMMUNITY SERVICES
BUDGET DETAIL (continued)

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Operation and Maintenance (continued):</u>				
Holiday Banners	32,882	40,700	40,700	40,700
Community Support		10,000	10,000	10,000
Community Services Programs	2,930	3,000	3,000	3,000
General Liability Insurance	33,172	42,300	32,000	32,000
Workers' Compensation Insurance	10,036	7,000	9,400	9,400
Community Events	202,832	242,400	257,500	257,500
SVUSD** Recreation Programs	526,001	579,500	587,500	587,500
Senior Mobility Program	33,108	38,000	38,000	38,000
Teen Programs	29,265	44,700	38,600	38,600
Senior Programs	151,473	181,900	182,100	182,100
Excursions	11,509	25,200	21,900	21,900
Recreation Classes	27,931	41,900	46,900	46,900
Skatepark Programs	23,601	33,000	34,900	34,900
Youth Programs			17,200	17,200
Subtotal	1,429,696	1,679,600	1,829,800	1,829,800
<u>Contract Services:</u>				
Miscellaneous	68,502	39,000	39,000	39,000
Subtotal	68,502	39,000	39,000	39,000
<u>Capital Outlay:</u>				
Equipment	8,155	3,600		
Furniture	199		31,000	31,000
Vehicles		27,000		
Computer Software	37,750			
Subtotal	46,104	30,600	31,000	31,000
Activity Total	\$2,717,297	\$3,130,700	\$3,392,500	\$3,392,500

- * Costs for the Leisure Times were included in the Management Services Department budget in prior years.
- ** Saddleback Valley Unified School District

POLICE SERVICES

DEPARTMENT DESCRIPTION

Police Services is responsible for public safety and general law enforcement within the City, including patrol services, traffic enforcement and criminal investigation. Police Services provides a variety of Community Policing Programs including Crime Prevention, Community Awareness and volunteer programs. The department also administers the animal control contract with the County of Orange Health Care Agency.

FISCAL YEAR 2008-09 ACCOMPLISHMENTS

1. A national firm ranked Lake Forest the 10th safest city for cities of its size and the 12th safest city in the U. S. overall. There were 1,029 reported Part One Crimes in 2008, representing a 10% reduction from 2007. Deputies were responsible for 1,056 in-custody arrests, 1,828 misdemeanor citations, and 334 warrant arrests.
2. Traffic enforcement continued as a priority for Police Services. Police Services' personnel issued 4,947 citations for moving violations and 5,534 parking citations. Injury traffic collisions decreased slightly from 187 to 136 (a 27% decrease), and all collisions decreased from 542 to 454. The traffic index was 34.8 for 2008.
3. Lake Forest Police Services implemented a graffiti task force in June 2008. Using the new Tracking Automated Graffiti Reporting System, deputies have made 35 arrests, served several search warrants, and cleared almost 100 graffiti cases. The outcome of this enforcement effort has resulted in a significant savings to the City in graffiti removal.
4. Lake Forest Police Services received a grant from the State's Alcohol and Beverage Control Board (ABC). Fifteen operations resulted in 38 arrests for selling alcohol to minors, with 44% on the on-sale (restaurants and bars) selling to minors, and 10% of all off-sale locations (patrols who were solicited to purchase alcohol for minors outside of stores) purchasing for minors. Lake Forest Police Services has applied for another grant from ABC for Fiscal Year 2009-10.
5. The Fourth Annual Community Preparedness Academy was completed. This eight-week program is a joint effort between the City, Orange County Sheriff's Department, Orange County Fire Authority, Medix Ambulance Service, and the American Red Cross, and has been designed to teach participants the basics of disaster preparedness. In addition, Lake Forest held the third Community Emergency Preparedness Expo. Hundreds of local residents attended this one-day event and were presented with preparedness information and materials from a host of participants.
6. Neighborhood Watch and Business Watch programs were revamped. The Sheriff's Team of Active Retired Seniors personally visited businesses in Lake Forest as an outreach effort, and a new Neighborhood Watch Newsletter was distributed.
7. The County's Alert-OC mass notification system was implemented. Residents were encouraged via the Leaflet and the website to register their personal contact information in case of an emergency notification.

FISCAL YEAR 2008-09 ACCOMPLISHMENTS (continued)

8. The City's Document Shredding Program was implemented and has been a tremendous success with residents. Although identity theft is not specifically tracked as a categorized crime, identity theft-related crimes (fraud, forgery, counterfeiting, etc.) were reduced by 14%, from 389 crimes in 2007 to 336 crimes in 2008.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Continue to provide an effective and aggressive traffic enforcement program, utilizing grant monies from the Office of Traffic Safety, to ensure the safety of motorists and reduce the number of injury traffic accidents.
2. Continue efforts to improve residents' ability to prepare for, respond to, and recover from a disaster by hosting Community Preparedness Academies for community members, as well as another one-day disaster preparedness event for the general public.
3. Continue to participate in regional emergency operations exercises. Develop, submit, and obtain Federal Emergency Management Association's approval of the City's Hazard Mitigation Plan. Design and implement table-top emergency preparedness exercises for City employees to test the National Incident Management System and emergency operation center protocols. Participate in local and regional emergency exercises.
4. Implement the Intelligence-Led Policing Program. This innovative crime analysis program utilizes crime data, as well as information from State Parole, County Probation, and the department's Gang Unit, to analyze crime trends. Using this analysis, Police Services can deploy personnel to areas where crimes are occurring, thus allowing them to increase their presence with the desired outcome of making arrests. More importantly, improved personnel allocation may reduce the need to increase staffing by increasing operational effectiveness.

POLICE SERVICES BUDGET OVERVIEW
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Personnel	\$44,500	\$194,100	\$205,800	\$205,800
Operations and Maintenance	377,832	471,900	452,300	453,800
Contract Services	11,996,273	12,178,800	12,766,600	12,766,600
Capital Outlay	70,531	121,000	5,000	5,000
Activity Total	<u>\$12,489,136</u>	<u>\$12,965,800</u>	<u>\$13,429,700</u>	<u>\$13,431,200</u>
Funding Sources:				
General Fund	\$12,263,777	\$12,827,000	\$13,264,500	\$13,266,000
Police Grant Funds:				
Supplemental Law Enforcement				
Services Grant	155,193	138,800	125,200	125,200
Justice Assistance Grant			40,000	40,000
Disaster Fund	70,166			
Total Positions:				
Full-Time	1	2	2	2
Contract Personnel	<u>55.63</u>	<u>55.63</u>	<u>55.63</u>	<u>55.63</u>

PERFORMANCE MEASURES

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
<u>Community Policing</u>			
# of community/school presentations	52	200	52
Hours of community policing unit services	2,300	2,080	2,080
# of neighborhood watch presentations	26	40	26
# of neighborhood watch participants	580	2,500	700
# of business watch participants	177	600	210
<u>Patrol Services</u>			
Average response time: emergency call (minutes)	4:35	5:00	5:00
Average response time: routine call (minutes)	12:13	12:00	12:00
Crime rate per 1,000 pop: UCR Class 1 crimes	13	15	15

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2007-08</u>	<u>Adopted Budget 2008-09</u>	<u>Adopted Budget 2009-10</u>
<u>Patrol Services (continued)</u>			
Crime rate per 1,000 pop: UCR Class II crimes	30	29	29
% of preventive patrol time	38%	40%	40%
<u>Traffic Enforcement and Reporting</u>			
Traffic enforcement index*	35	28	30
Injury traffic collisions	136	167	140
Speed related collisions	117	100	100
<u>Graffiti Program (TAGRS)**</u>			
Incidents of graffiti	326	266	300
<u>Paper Shredding Program</u>			
Incidents of fraud and identify theft	299	296	270
<u>Animal Control</u>			
Animals Impounded	617	600	600
Animal licenses issued	7,490	8,500	8,500
Barking dog complaints	515	660	600
Barking dog cases resolved	N/A	24	24
Assistance for lost/adoptable pets	0	48	24
Orange County Animal Control programming events***	2	2	2

* Traffic Enforcement Index is the number of citations issued for moving violations for each injury traffic collision.

** Tracking Automated Graffiti Reporting System

*** Events include pet adoptions, licensing, and vaccinations.

<p align="center">POLICE SERVICES BUDGET DETAIL</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Personnel:</u>				
Full-Time Personnel	\$34,388	\$135,100	\$146,600	\$146,600
Medicare	515	2,000	2,100	2,100
Retirement	5,920	27,000	27,100	27,100
Health Insurance	3,677	30,000	30,000	30,000
Subtotal	44,500	194,100	205,800	205,800
<u>Operation and Maintenance:</u>				
Membership and Dues	315	900	900	900
Training and Education	1,334	6,500	7,500	7,500
Travel, Conferences, and Meetings	12,026	16,800	13,700	13,700
Auto Allowance	1,154	3,000	3,000	3,000
Operating Supplies	37,308	37,600	38,900	38,900
Printing and Duplicating	11,206	7,700	11,600	11,600
Postage and Deliveries	886	1,000	1,100	1,100
Subscriptions and Books	591			
Uniforms	10,417	10,000	10,000	10,000
Telephone and Other	1,537	2,300	1,400	1,400
City Hall Rent	140,157	148,400	153,100	153,100
Equipment Rentals and Leases	2,318	5,500	5,500	5,500
Equipment Maintenance	3,635	4,000	4,300	4,300
Software Licenses and Maintenance		55,000	42,000	42,000
Vehicle Replacement	73,400	62,200	45,000	45,000
Vehicle Operation and Maintenance	38,867	52,400	55,800	55,800
Community Services Programs	42,681	35,000	40,600	42,100
Insurance - Liability		23,600	17,900	17,900
Subtotal	377,832	471,900	452,300	453,800
<u>Contract Services:</u>				
Other	352			
<u>Law Enforcement*:</u>				
Administration (2.0)	500,530	526,200	544,500	544,500
Patrol Operations:				
Patrol Sergeants (4.5)	812,810	874,600	890,000	890,000
Patrol (31.0)	6,293,157	6,479,500	6,636,100	6,636,100
Investigations:				
Investigations (4.0)	922,942	931,500	971,600	971,600

POLICE SERVICES BUDGET DETAIL (continued)
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Contract Services (continued):</u>				
Traffic:				
Motorcycle Deputies (4.0)	789,399	805,900	825,900	825,900
Commercial/Traffic				
Enforcement (1.0)	614,425	212,500	201,700	201,700
Community Service Officers (4.0)	506,563	525,700	553,200	553,200
Community Programs:				
Community Services/				
Crime Prevention (3)**		493,900	527,200	527,200
Support and Other (2.13)	866,832	792,400	953,400	953,400
800Mhz Maintenance/Operation	30,614	21,000	37,500	37,500
Mobile Data Computers				
Maintenance/Operation	143,599	111,100	115,500	115,500
Animal Control	215,421	149,500	255,000	255,000
Crossing Guards	225,350	250,000	250,000	250,000
Parking Ticket Administration	4,113	5,000	5,000	5,000
Wildfires Disaster	70,166			
Subtotal	11,996,273	12,178,800	12,766,600	12,766,600
<u>Capital Outlay:</u>				
Equipment	43,437	118,500	5,000	5,000
Vehicles	21,806			
Furniture	3,512	2,500		
Computers	1,776			
Subtotal	70,531	121,000	5,000	5,000
Activity Total	\$12,489,136	\$12,965,800	\$13,429,700	\$13,431,200

* () Indicates number of persons assigned to the City of Lake Forest.

** Activity from this category was included primarily in the Support and Other category prior to Fiscal Year 2008-09.

FIRE SERVICES

DEPARTMENT DESCRIPTION

The Orange County Fire Authority provides fire services to the City. The Authority provides fire protection and suppression, inspection services, paramedic emergency medical services, technical rescue services and hazardous material response.

FISCAL YEAR 2008-09 ACCOMPLISHMENTS

1. Participated in City Safety Fair (Fall 2008).
2. Participated in July 4 Parade (July 4, 2008).
3. Woods Fire Safety Plan Deployment (March 3, 2009). Unified Command and Response Plan completed. Prevention and Preparation Education Plan for Residents completed.
4. Post Fire Recovery - Santiago Burn Area: Worked with City and County agencies to prepare for potential mudslides and debris flows below burned areas during the rainy season.
5. Provided Life and Fire Safety Puppet Programs for kindergarten through third grade (March 2009).
6. Delivered Team Fire Force fire safety for fourth-graders. This is a three-phase fire safety course that involves Orange County Fire Authority, teachers, and parents. Team Fire Force replaces the older Junior Firefighter Program, and materials are tied to State academic curriculum standards.
7. Participated in Mock Driving Under the Influence Crash, El Toro High School (April 2008).
8. Initiated Red Flag Fire Patrol Program, in partnership with the Sheriff's Team of Active Retired Seniors (STARS) to act as additional "eyes and ears" to help prevent arson during hot, dry, Santa Ana winds.
9. Completed after action review of 6-alarm motel fire.
10. Helped recognize actions of Marines for evacuating motel guests during 6-alarm fire.
11. Assessed fire sprinklers in all motels in Lake Forest. Found that all motels in the City are now equipped with fire sprinklers.

FISCAL YEAR 2009-10 MAJOR INITIATIVES

1. Woods Fire first responder training with Fire/Sheriff/City Officials.
2. Woods Residential Fire prevention and preparedness education with Fire/Sheriff/City.
3. Develop School Evacuation and Shelter-in-Place Protocols (Woods Area schools).
4. Teach Evacuation and Shelter-in-Place Protocols (Woods Area schools).
5. Participate in July 4 Parade with applicable fire prevention messages.
6. Continue Red Flag Fire Patrol Program, using STARS and others to act as additional "eyes and ears" to help prevent arson during hot, dry, Santa Ana winds.
7. Participate in City Emergency Operations Center exercises, as directed, during earthquake, fire, and other simulated large scale disasters.
8. Continue to emphasize life safety and exit systems during fire inspections of assembly and high-density residential occupancies.
9. Continue Life and Fire Safety (Clown and Puppet) Safety Program for K-3 schools.

FISCAL YEAR 2009-10 MAJOR INITIATIVES (continued)

10. Continue Team Fire Force Program for fourth-graders.
11. Initiate Defensible Home Program in the Woods with Orange County Fire Authority Prevention/City Code Enforcement/Homeowners Associations' Code Enforcement.

FIRE SERVICES BUDGET OVERVIEW

The Orange County Fire Authority funds their service in the City of Lake Forest using a formula derived from direct property tax income. This amount allocated is based on 11.11% of 1% of the total assessed value of properties in Lake Forest.

VEHICLE REPLACEMENT

DEPARTMENT DESCRIPTION

The Vehicle Replacement Fund is an Internal Service Fund created to isolate the costs of vehicles and to allocate those costs to the appropriate operating departments. The Departments that have vehicles each pay an amount which is shown as an expenditure item in the respective operating department budget. These payments become revenue for the Vehicle Replacement Fund.

<p align="center">VEHICLE REPLACEMENT BUDGET DETAIL</p>
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Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
<u>Public Works Department:</u>				
Pick-Up Truck	\$18,566			
<u>Development Services Department</u>				
Pick-Up Truck (2)		\$54,200		
<u>Police Services Department:</u>				
Pick-up Truck	24,800			
Motorecycle(s)	24,949	51,600		
Activity Total	<u>\$49,749</u>	<u>\$105,800</u>	<u>\$0</u>	<u>\$0</u>

CAPITAL EXPENDITURES

DEPARTMENT DESCRIPTION

Capital Expenditures account for those capital projects approved in the bi-annual Capital Improvement Projects Budgets.

<p align="center">CAPITAL EXPENDITURES BUDGET DETAIL</p>

Project	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Street Resurfacing and Slurry Seal	\$3,744,740	\$2,100,000	\$1,963,700	\$1,963,700
Muirlands Boulevard Resurfacing*	959,057			
Trabuco at Lake Forest Drive Resurfacing**			749,300	749,300
Proposition 1B Asphalt Rehabilitation	146,812			
Alton Parkway Improvements			1,050,000	1,050,000
Trabuco Road Streetscape	132,772			
Vintage Woods Traffic Signal	29,966			
Rockfield at Orchard Traffic Signal	86,567			
Installation of Street Lights at Various Locations	838			
El Toro Road Enhanced Landscape Lighting	17,495	138,000		
Railroad Access Road Landscaping	91,800			
Lake Forest Transportation Mitigation Improvements	14,016		2,291,100	2,291,100
El Toro Road Traffic and Landscape Improvements	136,864			
El Toro Road/Swartz Landscape Median and Monument	21,826			
Pheasant Street Storm Drain	29,058			
Lake Forest Drive Drainage Improvements	42,891	230,000		
Sidewalk Repairs	116,393	80,000	40,000	40,000
El Toro/Trabuco Intersection Improvements	512,768			
Commercentre Drive Improvements			385,000	385,000
Rancho Parkway Improvements			317,000	317,000
Neighborhood Traffic Improvements:				
Rue de Fortuna Traffic Signals at Bake Cabriole		430,000		
Trabuco Road at Lake Forest Drive	25,584			
Light Industrial Area Street Improvements		232,000		
Traffic Signal Synchronization			314,000	314,000
Americans with Disabilities Access Ramp Improvements	19,432	431,000	133,000	133,000
Orange County Transportation Authority Property Acquisition	326,000			
Watershed Management Projects		562,200		

<p align="center">CAPITAL EXPENDITURES BUDGET DETAIL (continued)</p>

Expense Classification	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Jeronimo Road Streetscape Project		450,000	900,000	900,000
El Toro Road Streetscape Project - Phase I		120,000	1,277,000	1,277,000
Rockfield Streetscape	27,408		135,000	135,000
Front and Almond Streets Acquisition	32,467			
Parks and Recreation Five-Year Strategic Plan Park Improvements		4,000,000		
Borrego Park Turf Improvements	46,602			
Borrego Park Renovation	10,738			
Heroes Park Snack Bar and Restroom		400,000		
Normandale Park Improvements	4,000			
Serrano Creek Playground Equipment	545,969			
Universally Accessible Playground	52,863	105,200		
El Toro Park Fitness Center		65,000		
Meeting Facility	22,552			
Civic Center	22,552			
Sports Park	2,616		18,582,000	18,582,000
Community Center	2,616		1,006,000	1,006,000
Activity Total	\$7,225,262	\$9,343,400	\$29,143,100	\$29,143,100
Funding Source(s):				
General Fund	\$3,217,233	\$1,071,000	\$190,700	\$190,700
Capital Improvement Projects Fund	1,844,323	6,841,200	4,267,300	4,267,300
Gas Tax Fund	146,812			
Measure M Fund	1,533,166	1,029,000	1,773,000	1,773,000
Community Development Block Grant Fund	20,825	170,200	133,000	133,000
Redevelopment Agency Operating Fund	86,567	232,000	900,000	900,000
Redevelopment Agency Low and Moderate Income Housing Fund	326,000			
Opportunities Study Capital Projects Fund	50,336		19,588,000	19,588,000
Lake Forest Transportation Mitigation Fund			2,291,100	2,291,100

* Part of the street resurfacing and slurry seal program and partially funded by an Arterial Highway Rehabilitation Program grant.

** Funded by an American Recovery and Investment Act federal grant.

INTERFUND TRANSFERS

DESCRIPTION

Interfund transfers represent the redistribution of available fund balances between funds. Inerfund transfers provide resources for specific purposes, for example, when multiple funds share the cost burden for capital projects or other programs.

INTERFUND TRANSFERS BUDGET DETAIL
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Transfer Description	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Transfers In:				
<u>General Fund</u>				
From Reserve Funds		\$1,297,900	\$1,085,100	\$1,085,100
<u>Reserve Funds</u>				
From General Fund				1,370,000
From General Fund-Economic Contingency Reserve	\$201,664			
<u>Capital Improvement Projects Fund</u>				
From General Fund	12,629,000	10,587,000	12,049,400	12,049,400
From Air Quality Improvement Fund			64,000	64,000
<u>Opportunities Study Capital Projects Fund</u>				
From General Fund			3,996,300	3,996,300
From Capital Improvement Projects Fund			15,000,000	15,000,000
From Park Development/ Construction Fund			591,700	591,700
<u>Lake Forest Transportation Mitigation Capital Projects Fund</u>				
From Capital Improvement Projects Fund			2,291,100	2,291,100
<u>Etnies Skatepark Fund</u>				
From General Fund	291,710	197,900	300,100	300,100
<u>2007 Disaster Fund</u>				
From General Fund	10,312			
<u>Financing Authority Fund</u>				
From Redevelopment Agency Debt Service Fund	550,407	556,600	552,200	552,200
<u>Redevelopment Agency Operating Fund</u>				
From Redevelopment Agency Debt Service Fund	590,402	1,215,300	2,004,100	2,004,100
Total Transfers In	\$14,273,495	\$13,854,700	\$37,934,000	\$39,304,000

INTERFUND TRANSFERS BUDGET DETAIL
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Transfer Description	Actual 2007-08	Adopted Budget 2008-09	Request 2009-10	Adopted Budget 2009-10
Transfers Out:				
<u>General Fund</u>				
To Capital Improvement Projects Fund	(\$12,629,000)	(\$10,587,000)	(\$12,049,400)	(\$12,049,400)
To Opportunities Study Capital Projects Fund			(3,996,300)	(3,996,300)
To Etnies Skatepark Fund	(291,710)	(197,900)	(300,100)	(300,100)
To General Designated Reserve				(1,370,000)
To Economic Contingency Reserve	(201,664)			
To 2007 Disaster Fund	(10,312)			
<u>Reserve Funds</u>				
To General Fund-Designated Reserve		(100,000)		
To General Fund-Undesignated Reserve		(798,600)	(723,400)	(723,400)
To General Fund-Economic Contingency Reserve		(399,300)	(361,700)	(361,700)
<u>Capital Improvement Projects Fund</u>				
To Opportunities Study Capital Projects Fund			(15,000,000)	(15,000,000)
To Lake Forest Transportation Mitigation Capital Projects Fund			(2,291,100)	(2,291,100)
<u>Air Quality Improvement Fund</u>				
To Capital Improvement Projects Fund			(64,000)	(64,000)
<u>Park Development/Construction Fund</u>				
To Opportunities Study Capital Projects Fund			(591,700)	(591,700)
<u>Redevelopment Agency Debt Service Fund</u>				
To Redevelopment Agency Operating Fund	(590,402)	(1,215,300)	(2,004,100)	(2,004,100)
Financing Authority Fund	(550,407)	(556,600)	(552,200)	(552,200)
Total Transfers Out	(\$14,273,495)	(\$13,854,700)	(\$37,934,000)	(\$39,304,000)

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GENERAL FUND

Description

The General Fund is used to account for all City resources which are not required by law or sound financial management to be accounted for in another fund. Principal sources of revenue include sales taxes, property taxes, licenses and permits, fees for services rendered and State-shared revenue. General Fund resources are used to provide a broad range of services including most of those traditional to local government.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
City Council	\$217,124	\$232,450	\$248,000
City Manager	736,482	929,700	925,700
Redevelopment/ Economic Development	213,466	331,300	360,300
City Attorney	1,190,028	798,000	835,700
City Clerk	651,514	806,300	648,300
Finance	1,039,852	1,076,400	1,156,300
Development Services	2,898,583	2,772,000	2,385,300
Public Works	6,556,035	7,296,600	7,060,500
Management Services	1,706,993	2,361,300	1,906,800
Community Services	2,344,783	2,753,800	3,007,200
Police Services	12,263,777	12,827,000	13,266,000
Capital Projects	3,217,233	1,071,000	190,700
TOTAL	\$33,035,870	\$33,255,850	\$31,990,800

GAS TAX FUND

Description

The Gas Tax Fund is used to account for the City's share of tax revenues collected by the State on the sale of fuel for motor vehicles. The use of these funds is restricted to the construction, improvements or maintenance of public streets.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Public Works Street Maintenance	\$1,866,041	\$1,887,100	\$1,797,000
Capital Projects	146,812		
TOTAL	<u>\$2,012,853</u>	<u>\$1,887,100</u>	<u>\$1,797,000</u>

MEASURE M FUND

Description

The Measure M Fund was established to account for funds which are "turned back" to cities for street maintenance and/or street improvement purposes.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Street Repaving and Slurry Seal	<u>\$1,533,166</u>	<u>\$1,029,000</u>	<u>\$1,773,000</u>

ETNIES SKATEPARK FUND

Description

The Etnies Skatepark Fund is used to account for revenues received from user fees for programs and sponsors. The expenditures account for operations of the Skatepark.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Community Services	<u>\$82,562</u>	<u>\$96,800</u>	<u>\$91,300</u>

POLICE GRANTS FUND

Description

The Police Grants Fund is used to account for certain police grants received by the City. This Fund currently consists of a Supplemental Law Enforcement Fund grant, established pursuant to AB 3239 (Brulte) to account for revenues and expenditures for certain police services and a Justice Assistance Grant for an intelligence led policing program. Expenditures can only be used for police services and cannot supplant the existing police services budget.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Law Enforcement - Patrol (Brulte)	\$155,193	\$138,800	\$125,200
Justice Assistance			40,000
TOTAL	<u>\$155,193</u>	<u>\$138,800</u>	<u>\$165,200</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Description

The Community Development Block Grant Fund is used to account for revenues received from the Federal Government under the Community Development Block Grant program. Eligible activities can include acquisition, disposition, planning studies, public services, housing and commercial rehabilitation, public facilities improvements, and administration.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Redevelopment/Economic			
Development	\$367,436	\$346,600	\$370,700
Development Services	97,200	100,000	
Capital Projects	20,825	170,200	133,000
TOTAL	<u>\$485,461</u>	<u>\$616,800</u>	<u>\$503,700</u>

VEHICLE REPLACEMENT FUND

Description

The Vehicle Replacement Fund is used to isolate the costs of the City's vehicles and allocate those costs to the operating departments. The departments utilizing vehicles will pay an amount shown as an expenditure in their budgets. This payment becomes revenue for the Vehicle Replacement Fund.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Vehicles	<u>\$49,749</u>	<u>\$105,800</u>	<u>\$0</u>

FINANCING AUTHORITY FUND

Description

The Financing Authority Fund is used to account for debt service activity for the 2004 Certificates of Participation.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Professional Services - Other	\$1,870	\$2,200	\$2,200
Certificate Lease Payment	548,538	555,000	550,000
	<u>\$550,408</u>	<u>\$557,200</u>	<u>\$552,200</u>

CAPITAL IMPROVEMENT PROJECTS FUND

Description

The Capital Improvement Projects Fund was established to accumulate financial resources for the purpose of providing funds for capital projects, economic development projects and economic redevelopment projects. The use of the monies would be consistent with the Five-Year Strategic Business Plan.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Capital Projects	<u>\$1,844,323</u>	<u>\$6,841,200</u>	<u>\$4,267,300</u>

OPPORTUNITIES STUDY CAPITAL PROJECTS FUND

Description

The Opportunities Study Capital Projects Fund was established to accumulate financial resources for the purpose of providing funds for certain public facilities as determined in the Opportunities Study.

Expenditure Detail

Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Capital Projects			\$19,588,000

LAKE FOREST TRANSPORTATION MITIGATION FUND

Description

The Lake Forest Transportation Mitigation Fund was established to accumulate financial resources for the purpose of providing funds for traffic improvements in the Opportunities Study Area.

Expenditure Detail

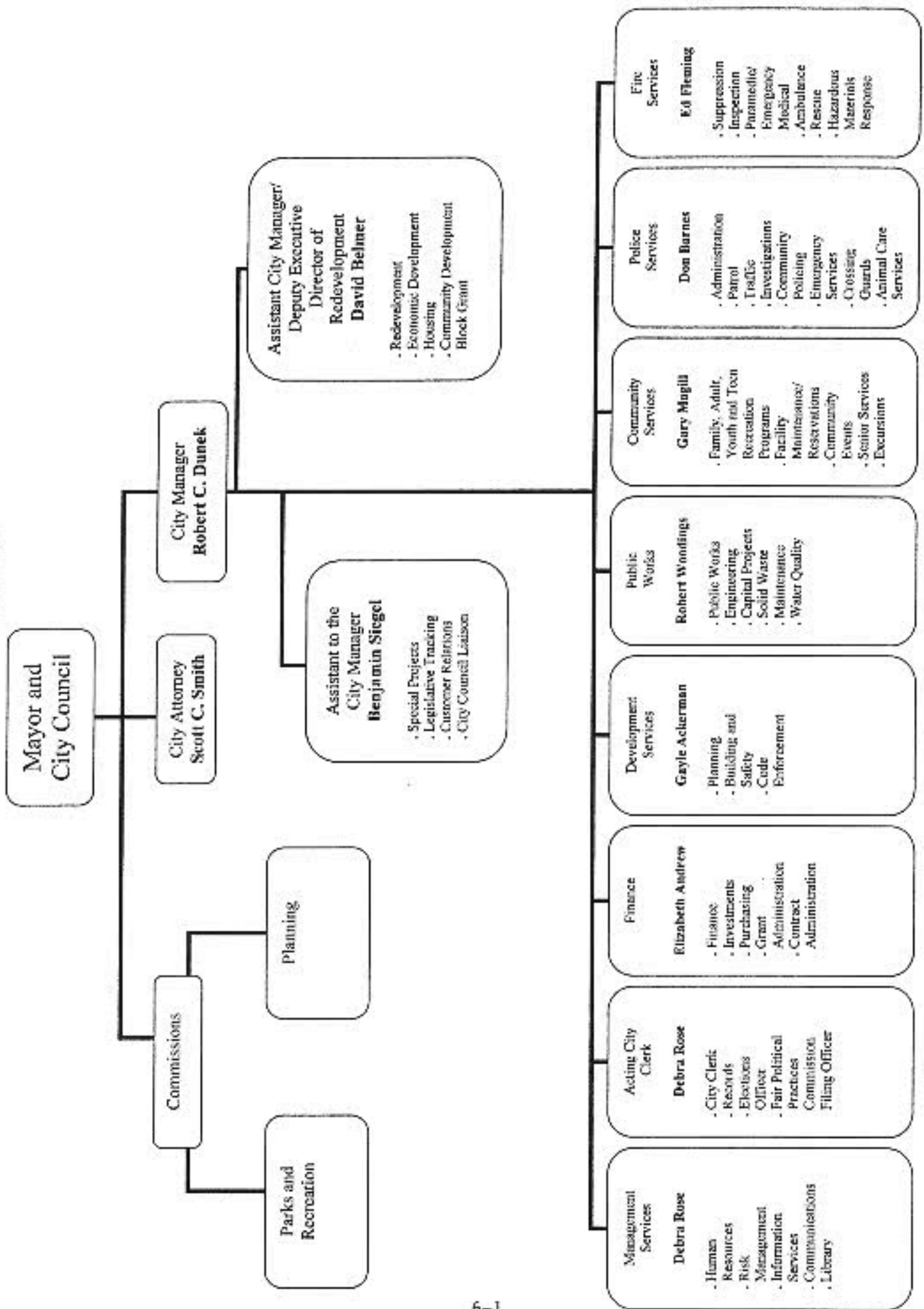
Description	Actual 2007-08	Adopted Budget 2008-09	Adopted Budget 2009-10
Capital Projects			\$2,291,100

Section Six

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ORGANIZATIONAL CHART



COMMUNITY HISTORY

Lake Forest incorporated as a new city, under the general laws of the State of California, on December 20, 1991. The City is Orange County's 31st city and the second largest in the Saddleback Valley.

When Don José Serrano settled the area, which was originally called Rancho Cañada De Los Alisos (the Valley of the Sycamores), through a Mexican Land Grant in 1846, he may have envisioned the area as it is today -- an area rich in family values with a hometown feel. For more than a century, the land was known as El Toro, after the bulls that roamed Don José Serrano's ranch. The land remained with Don José and his family until financial problems forced him to turn the land over to private interests. The legacy of the Serrano family lives on in Lake Forest through the Serrano Adobe - a part of the family's original ranch - located in Heritage Hill Historical Park.

In the early 1900s, Dwight Whiting, a resident of the area, planted 400 acres of fast-growing eucalyptus trees as an answer to the California lumber shortage. Although the trees failed as a source of lumber, in the 1960s, master developer Occidental Petroleum decided to create a master-planned community around the trees and man-made lakes. The eucalyptus provided landscaping for the modern homes and led to the "Forest" in Lake Forest.

Although Lake Forest has been an official city in Orange County since 1991, its history began long before then. Beginning as an agricultural area like most of the Orange County region, Lake Forest began to grow rapidly following World War II. Residential, commercial and industrial development began to replace the acres of citrus and other agricultural products. A significant reason for the change was the growing importance of the El Toro Marine Base. The growth of the Base increased the need for new homes and people support services. Over time, the Lake Forest area was built into the City we know today.

Efforts toward incorporation began in August 1989 when a group of citizens formed the Community Coalition for Incorporation. Hoping to gain control of the issues affecting the Lake Forest area, the group worked toward gaining cityhood for Lake Forest. The group was successful in putting the Measure on the ballot and cityhood was approved on March 5, 1991, along with the City's first City Council. On December 21, 1991, Lake Forest became the 31st City to incorporate in the County of Orange.

The City has grown in size from its original incorporated boundaries as a result of several annexations and is now 16.6 square miles.

The City of Lake Forest has balanced growth with an emphasis on quality of life. It provides a rich tapestry of activities for the young and old. The City features 19 public parks, which provide active recreational opportunities to area residents. The 1,500-acre Whiting Ranch Wilderness Park (County operated) is in the northern part of the City and contains a vast amount of open space for hiking and equestrian activities.

The official City flower -- Purple Statice (Limonium); City bird -- hummingbird; and City song -- "Beautiful City" by Steven Swartz clearly acknowledge that Lake Forest is a beautiful city where "Remember the Past -- Challenge the Future" is more than just a slogan as we embrace the opportunities of today and tomorrow.

DEMOGRAPHIC FACTS AND FIGURES

Demographic Breakdown*

Population	78,344
City Size	16.6 square miles
Housing Units	25,992
Ethnic Composition	
White	61.1%
Hispanic	21.5%
Asian/Pacific Islander	11.9%
Black	1.9%
Other	3.6%
Median Age	36.8
Median Income	\$93,442

*Source: California Department of Finance and Claritas, Inc.

GLOSSARY OF BUDGET TERMS

Amendment An amendment is a change in the budget which occurs after its initial adoption. Such a change will consist of an increase or decrease in revenue which is recognized or in the level of authorized expenditures. Some amendments may be implemented by City staff, but most require formal action by the City Council.

Appropriation An authorization by the City Council to generate expenditures and to incur obligations for a specific purpose within a specific time frame.

Assessed Valuation A dollar value placed on real estate or other property (by Orange County) as a basis for levying property taxes.

Audit A review of the City's accounts by internal audit staff or an independent auditing firm to substantiate fiscal year end funds, salaries, reserves and cash on hand.

Beginning/Ending (Unappropriated) Fund Balance Unbudgeted resources available in a fund from the prior/current fiscal year after payment of the prior/current fiscal year's expenditures/expenses. This is not necessarily cash on hand.

Bond A City may raise capital by issuing a written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, together with periodic interest at a special rate.

Budget A fiscal plan of financial operation listing an estimate of proposed applications or expenditures/expenses and the proposed means of financing them for a particular time period. The budget is proposed until it has been approved by the City Council.

Capital Improvement A permanent addition to the City's assets, including the design, construction or purchase of land, buildings or facilities, or major renovations of same.

Capital Improvements Program A financial plan of proposed capital improvement projects with single- and multiple-year capital expenditures/expenses.

Capital Outlay A budget appropriation category which budgets all equipment having a unit cost of more than a pre-approved amount and an estimated useful life over a pre-approved period.

Capital Improvement Project Funds These funds are used to account for moneys received to fund capital outlays by operation departments and general bonded debt services.

City Manager's Budget Message A general discussion of the proposed/approved budget. The letter contains an explanation of principal budget items and summaries.

Debt Service Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or Certificates of Participation (COPs).

Debt Service Funds This fund type is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit An excess of expenditures or expenses over revenues (resources).

Department An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Division A sub-section (or activity) within a department which furthers the objectives of the City Council by providing specific services.

Encumbrances A legal obligation to pay funds, the expenditure/expense of which has not yet occurred (purchase orders). They cease to be encumbrances when the obligations are paid or otherwise terminated.

Expenditure The actual spending of governmental funds set aside by appropriation.

Fee A fee is a charge imposed by the City on the beneficiary of a service it provides. Its purpose is to help recover some or all of the cost incurred by the City in providing a service. By law, a fee may not exceed the cost of providing a service.

Fiscal Year A twelve-month period of time to which a budget applies. In the City of Lake Forest, the fiscal year is July 1 through June 30.

Full-Time Position A full-time position is one in which an employee is budgeted to work 40 hours per week or 2,080 hours each year. All full-time positions receive benefits such as holidays, vacations, sick pay, retirement, health insurance, etc.

Fund An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance The amount of financial resources in a fund. Generally, this represents the detail of the accumulation of annual operating surpluses and deficits since inception.

General Fund The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general obligations. Examples of departments financed by the General Fund include City Council, Police Services, and Public Works.

Grant Contributions, gifts of cash or other assets from another governmental entity to be expended for specific purpose, activity or facility. An example is the Community Development Block Grant (CDBG) provided by the Federal government.

Interfund Transfer Money transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain costs.

Line-Item A line-item is the detailed grouping of expenditures used in the City's accounting system. It is subordinate to expense category. Typical line items are: professional services, office supplies, travel, postage, office equipment, etc.

Municipal Code A book which contains the City Council-approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, etc.

Ordinance A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An ordinance has a higher legal standing than a resolution.

Part-Time Position A part-time position is one in which an employee is budgeted to work less than 36 hours per week or for less than six months during the year. Part-time employees do not receive benefits such as holidays, vacations, sick pay, retirement, health insurance, etc.

Project Area A redevelopment project area is an area of the City which has been established by the adoption of a Redevelopment Plan and within which the Redevelopment Agency is authorized to use special powers granted by State law.

Reclassification The City maintains a classification system for all positions which establishes job titles, general duties/responsibilities and compensation. Occasionally, employees are found to be working tasks or functions which fall outside their existing classification. When this occurs, a study is conducted by the Human Resources Manager and a recommendation is made for the proper classification.

Redevelopment This term refers to activities undertaken to renovate blighted areas within the City and to provide housing to low and moderate income persons. Blight consists of a variety of conditions which constitute a serious physical, social and economic burden on the community which cannot be corrected by private enterprise acting alone. Redevelopment activities may include, but are not limited to, the acquisition and conveyance of property, site clearance and the provision of streets, utilities, parks and other public improvements.

Reimbursement Payment of amount remitted on behalf of another party, department or fund.

Reserve An account used to record a portion of the fund balance as legally segregated for a specific use.

Resolution A special order of the City Council which has lower legal standing than an ordinance.